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Public Accounts 1988-89

Volume 1

Main Financial Statements



Saskatchewan



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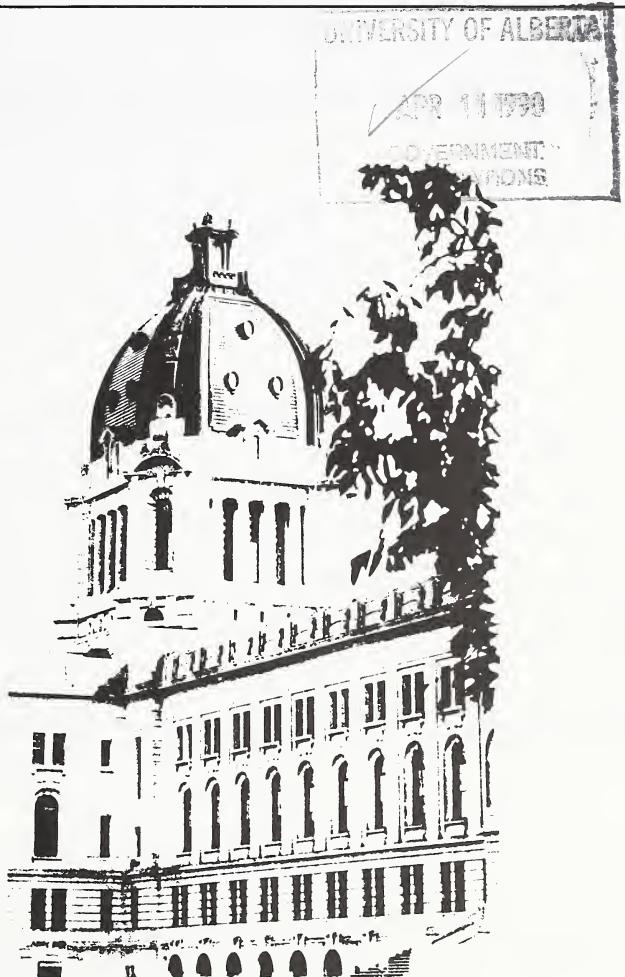


Province of
Saskatchewan

Public Accounts 1988-89

Volume 1

Main Financial Statements



Saskatchewan

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To Her Honour,
The Honourable Sylvia Fedoruk,
Lieutenant Governor of the Province of Saskatchewan.

May It Please Your Honour:

The undersigned has the honour to submit herewith the Public Accounts of the Province of Saskatchewan for the fiscal year ended March 31, 1989.

Respectfully submitted,

Lorne Hepworth,
Minister of Finance.

Regina, Saskatchewan
January, 1990

The Honourable Lorne Hepworth,
Minister of Finance.

We have the honour of presenting herewith the Public Accounts of the Province of Saskatchewan for the fiscal year ended March 31, 1989.

Respectfully submitted,

Art Wakabayashi,
Deputy Minister of Finance.
Regina, Saskatchewan
January, 1990

Gerry Kraus,
Provincial Comptroller.

Scope of the Public Accounts

The Public Accounts are organized into three volumes:

Volume 1 — Main Financial Statements

Volume 1 consists of two parts:

Part A — Financial Statements of the Combined Funds
— Financial Statements of the Consolidated Fund
— Financial Statements of the Saskatchewan Heritage Fund

Part B — Additional Information on Debt

Volume 2 — Supplementary Financial Statements

Summary information on Superannuation, Trust and Special Purpose Funds under the control of the Minister of Finance

Financial statements of Revolving Funds; and

Other financial statements which are not tabled separately in the Legislature.

Volume 3 — Details of Revenue and Expenditure Activity

Summary Revenue and Expenditure Information for the Combined, Consolidated and Heritage Funds.

Consolidated Fund Revenue and Expenditure Details

Heritage Fund Revenue and Expenditure Details; and

Other Information — Statement of Remission of Taxes and Fees.

A Detailed Table of Contents is provided at the beginning of each of the Volumes.

Introduction to the Public Accounts

The Public Accounts include primarily the financial statements of the Consolidated Fund, the Saskatchewan Heritage Fund and the Combined Funds. The Consolidated Fund is the general fund into which all public monies received are credited except where the Legislative Assembly has directed otherwise. The Saskatchewan Heritage Fund is a Fund established by the Legislative Assembly to receive all nonrenewable resource revenues and certain other revenues as specified in the Heritage Fund (Saskatchewan) Act. The Combined Funds represents a combination of the financial transactions of the Consolidated Fund and the Saskatchewan Heritage Fund.

The Combined Funds financial statements have been designed primarily to provide an accounting of the financial resources appropriated by the Saskatchewan Legislature. They are not intended to be summary financial statements that provide a full accounting of the financial affairs and resources of all the entities for which the Government of Saskatchewan is responsible. The financial transactions of other crown entities such as provincial crown corporations, agencies, boards and commissions are reported separately. Only those transactions pertaining to the receipt of money from or payment of money to the Combined Funds are reflected in these statements. Accumulated surpluses or deficits of these entities are not included.

A variety of special purpose and other funds are administered by the Minister of Finance. Included within these funds are superannuation funds over which the Minister provides general administrative support, trust monies held for third parties under various arrangements, and special purpose monies held for specified uses. The assets, liabilities, operations and residual balances of these are maintained and reported separately from those of the reporting entity. Summary financial information on these funds is provided in Volume 2 of the Public Accounts.

G. Kraus,
Provincial Comptroller



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Part A – Main Financial Statements

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Auditor's Report

To the Members of the Legislative Assembly
of Saskatchewan

I have examined the statement of financial position of the Combined Funds as at March 31, 1989 and the statements of net debt, revenue and expenditure, loan, investment and deposit activity and financing and changes in financial position for the year then ended. My examination was made in accordance with generally accepted auditing standards, and accordingly included such tests and other procedures as I considered necessary in the circumstances.

Loans to crown entities include disbursements to the Saskatchewan Property Management Corporation of \$432,236,000 (1988 — \$340,836,000). It is inappropriate to record these disbursements as assets of the Combined Funds since their repayment depends upon future appropriations from the Consolidated Fund. Accordingly, these disbursements should have been recorded as expenditures. If these disbursements had been recognized as expenditures, loans to crown entities would have been reduced by \$385,136,000 (1988 — \$340,836,000), short-term loans to crown entities would have been reduced by \$47,100,000, net debt would have been increased by \$432,236,000 (1988 — \$340,836,000) and excess of expenditure over revenue would have been increased by \$91,400,000 (1988 — \$158,843,000).

In my opinion, except for the failure to record disbursements as expenditures as described in the preceding paragraph, these financial statements present fairly the financial position of the Combined Funds as at March 31, 1989 and the results of its operations and the changes in its financial position for the year then ended in accordance with the accounting principles disclosed in Note 1 to the financial statements applied on a basis consistent with that of the preceding year.

As indicated in Note 1a, these financial statements represent a combination of the financial transactions of the Consolidated Fund and the Saskatchewan Heritage Fund and have been designed primarily to provide an accounting of the financial resources appropriated by the Saskatchewan Legislature from the Funds. These financial statements are not summary financial statements as contemplated by the Canadian Institute of Chartered Accountants that would report the financial condition and results of operations of the Government of Saskatchewan in accordance with their economic substance.

Regina, Saskatchewan,
October 26, 1989.



G. F. Wendel, C.A.,
A/Provincial Auditor.

Government of the Province of Saskatchewan

Combined Funds

Statement of Financial Position

March 31, 1989

(In Thousands of Dollars)

Assets	1989	1988
Schedule		
1 Cash and Short-term Investments (Note 1e)	\$ 9,793	\$ (47,089)
2 Short-Term Loans to Crown Entities (Note 1f)	382,573	493,170
3 Loans to Crown Entities (Note 1g)	5,632,126	5,899,650
4 Other Loans (Note 1h)	536,147	156,444
5 Investments in Crown Entities (Note 1i)	907,044	824,812
Investments in Agricultural Land and Related Assets (Note 1j)	141,298	149,945
6 Other Investments (Note 1k)	2,936	4,981
Total Assets	\$7,611,917	\$7,481,913

Liabilities and Net Debt

Public Debt (Note 1l)		
7 Promissory Notes (Note 1l)	\$1,508,650	\$1,199,380
8 Treasury Bills (Note 1l)	650,000	650,000
9 Debentures (Note 1l)	8,612,217	8,373,085
10 Less: Sinking Funds (Note 1l)	(430,610)	(454,552)
Total Liabilities	10,340,257	9,767,913
11 Amounts Payable to Crown Entities (Note 1m)	149,731	220,392
Conditional Receipts (Note 1n)	6,954	11,039
12 Contingencies (Note 2a)	10,496,942	9,999,344
Net Debt	(2,885,025)	(2,517,431)
Total Liabilities and Net Debt	\$7,611,917	\$7,481,913

(See Accompanying Notes)

Government of the Province of Saskatchewan Combined Funds

Statement of Net Debt

For the Year Ended March 31, 1989

	(In Thousands of Dollars)	
	1989	1988
Net Debt, Beginning of Year	\$ (2,517,431)	\$(1,965,187)
Excess of Revenue over Expenditure	(324,397)	(542,447)
Sinking Fund Earnings Retained in Sinking Funds	1,000	2,548
Write-down — Loans to Crown Entities	(2,048)	(9,247)
Provision for Loss — Other Loans	(40,150)	(1,516)
Loss on Sale of Land	(1,999)	(1,582)
Net Debt, End of Year	\$ (2,885,025)	\$(2,517,431)

(See Accompanying Notes)

Government of the Province of Saskatchewan

Combined Funds

Statement of Revenue and Expenditure

For the Year Ended March 31, 1989

(In Thousands of Dollars)

Revenue	1989	1988
Taxes		
Corporation Capital	\$ 86,946	\$ 55,218
Corporation Income	128,294	123,726
Fuel	144,442	161,168
Individual Income	847,838	768,555
Insurance	20,752	20,089
Mineral Acreage	5,629	5,917
Sales	498,634	455,302
Tobacco	99,066	89,810
Other Taxes	7,046	7,150
Total Taxes	1,838,647	1,686,935
Receipts from Government Enterprises and Other Funds		
Profits Transferred from Saskatchewan Liquor Board (Note 2b)	194,000	—
Other Receipts	25,013	5,905
Total Receipts from Government Enterprises and Other Funds	219,013	5,905
Other Own Source Revenues		
Agricultural Lands	19,507	20,681
Fines, Forfeits and Penalties	8,977	9,040
Interest, Premium, Discount and Exchange	19,309	25,407
Non-Renewable Resources		
Coal	14,853	18,439
Natural Gas	36,337	22,178
Oil	187,862	347,261
Potash	96,080	48,899
Uranium	17,517	19,718
Other	2,886	1,999
Privileges, Licences, and Permits		
Lands, Forest, Game, Fur, Fisheries, and Water	11,769	11,614
Motor Vehicles	79,291	67,874
Other	12,707	17,479
Sales, Services, and Service Fees	37,867	45,928
Other Revenues	18,130	23,660
Total Other Own Source Revenues	563,092	680,177
Receipts from Other Governments		
Agricultural and Rural Development Act	—	125
Canada Assistance Plan	154,916	156,801
Department of Regional Industrial Expansion	754	603
Equalization Payment	454,572	302,675
Established Programs Financing	396,994	406,233
Statutory Subsidy	2,184	2,192
Other Federal Contributions	57,615	45,550
Other Receipts	7,332	8,602
Total Receipts from Other Governments	1,074,367	922,781
Total Revenue	\$3,695,119	\$3,295,798

(See Accompanying Notes)

Government of the Province of Saskatchewan

Combined Funds

Statement of Revenue and Expenditure

For the Year Ended March 31, 1989

(In Thousands of Dollars)

Expenditure	1989	1988
Agriculture	\$ 189,159	\$ 165,263
Consumer and Commercial Affairs	5,565	5,435
Economic Development and Tourism	15,591	13,187
Economic Diversification and Investment Fund	16,201	17,671
Education	810,400	779,886
Energy and Mines	15,433	19,743
Environment and Public Safety	10,244	12,800
Executive Council	6,597	6,611
Finance: Interest on Public Debt (Note 1o)*	320,011	282,043
Other	153,861	133,958
Health	1,249,220	1,183,594
Highways and Transportation	225,107	215,473
Human Resources Labour and Employment	65,027	54,329
Indian and Native Affairs Secretariat	3,752	—
Justice	140,795	128,016
Legislation	13,872	11,057
Parks, Recreation and Culture	100,911	103,871
Provincial Auditor	2,890	3,230
Provincial Secretary	4,765	2,728
Public Participation	3,365	729
Public Service Commission	10,022	9,830
Rural Development	70,029	54,378
Saskatchewan Crop Insurance Corporation	14,927	11,931
Saskatchewan Housing Corporation	75,141	110,584
Saskatchewan Municipal Board	772	447
Saskatchewan Property Management Corporation	6,763	8,102
Saskatchewan Research Council	6,479	7,840
Saskatchewan Water Corporation	21,058	12,456
Science and Technology	1,936	2,434
Social Services	364,475	378,435
Department of Telephones	505	493
Trade and Investment	5,823	7,473
Urban Affairs	88,820	94,218
Total Expenditure	\$4,019,516	\$3,838,245

Excess of Expenditure over Revenue \$ 324,397 \$ 542,447

* A gain of \$43,773,000 resulting from the swap of Consolidated Fund foreign currency debt has been netted against the cost of Interest on Public Debt.
(See Accompanying Notes)

Government of the Province of Saskatchewan

Combined Funds

Statement of Loan, Investment and Deposit Activity

For the Year Ended March 31, 1989

(In Thousands of Dollars)

	1989		1988	
	Disbursements	Receipts	Disbursements	Receipts
Loans				
Agricultural Credit Corporation of Saskatchewan	\$ 864,400	\$ 1,132,800	\$ 400,000	\$ 623,100
Crown Investments Corporation of Saskatchewan	645,523	293,412	792,145	349,125
Potash Corporation of Saskatchewan	—	—	—	528,020
Saskatchewan Economic Development Corporation	3,919	—	7,000	—
Saskatchewan Mining Development Corporation	—	370,523	61,705	229,766
Saskatchewan Power Corporation	69,234	128,060	67,736	29,752
Saskatchewan Property Management Corporation	1,130,702	1,086,402	158,844	—
Saskatchewan Telecommunications	20,779	15,074	13,597	772
Saskatchewan Water Corporation	—	3,000	—	9,839
NewGrade Energy Inc.	—	—	—	60,678
Other	475,984	56,510	89,066	61,323
Total Loan Disbursements and Receipts	3,210,541	3,085,781	1,590,093	1,892,375
Investments				
Crown Investments Corporation of Saskatchewan	719,485	—	77,583	—
Potash Corporation of Saskatchewan	—	418,554	—	—
Saskatchewan Mining Development Corporation	—	218,700	—	—
Investment in Agricultural Land and Related Assets	745	6,874	944	6,220
NewGrade Energy Inc.	—	—	—	735
Other	—	2,044	—	1,154
Total Investment Disbursements and Receipts	720,230	646,172	78,527	8,109
Deposits				
Crown Entities	205,840	135,178	520,876	649,089
Sinking Fund	18,460	18,340	19,260	18,837
Redemption of Sinking Funds	—	—	—	18,362
Conditional Receipts	5,730	1,644	—	6,449
Total Deposit Disbursements and Receipts	230,030	155,162	540,136	692,737
Total Disbursements and Receipts	\$ 4,160,801	\$ 3,887,115	\$ 2,208,756	\$ 2,593,221
Total Excess of Disbursements Over Receipts (Receipts Over Disbursements)		\$ 273,686		\$ (384,465)

(See Accompanying Notes)

Government of the Province of Saskatchewan

Combined Funds

Statement of Financing and Changes in Financial Position

For the Year Ended March 31, 1989

(In Thousands of Dollars)

	1989	1988
Cash Requirements		
Revenue and Expenditure		
Expenditure	\$ 4,019,516	\$ 3,838,245
Revenue	3,695,119	3,295,798
	\$ 324,397	\$ 542,447
Loan, Investment and Deposit		
Disbursements	4,160,801	2,208,756
Receipts	3,887,115	2,593,221
	273,686	(384,465)
Non-Cash Gain on Swap of Foreign Debt	43,773	—
Net Cash Requirement	641,856	157,982
Financing (Schedule 13)		
Proceeds from Debt	11,626,341	10,620,152
Repayment of Debt	11,038,201	10,112,438
	588,140	507,714
Net Increase (Decrease) in Cash, Short-Term Loans and Investments	(53,716)	349,732
Cash, Short-Term Loans and Investments, Beginning of Year	446,081	96,349
Cash, Short-Term Loans and Investments, End of Year	\$ 392,365	\$ 446,081

(See Accompanying Notes)

Government of the Province of Saskatchewan Combined Funds

Notes to the Financial Statements

For the Year Ended March 31, 1989

1. Significant Accounting Policies

General Policies

1a. Reporting Entity

These financial statements represent a combination of the financial transactions for the Consolidated Fund and the Saskatchewan Heritage Fund. The financial statements have been designed primarily to provide an accounting of the financial resources appropriated by the Saskatchewan Legislature from the Funds. The Consolidated Fund is the general fund into which all revenues over which the Legislative Assembly of Saskatchewan has power of appropriation flow unless the Legislative Assembly has directed otherwise. The Saskatchewan Heritage Fund is a fund established by the Legislative Assembly to receive all nonrenewable resource revenues and certain other revenues as specified in The Heritage Fund (Saskatchewan) Act.

These financial statements are not intended to be summary financial statements that provide a full accounting of the financial affairs and resources of all the entities for which the Government of Saskatchewan is responsible. The financial transactions of other Crown entities such as provincial Crown corporations, agencies, boards and commissions are reported separately. Only those transactions pertaining to the receipts of money from or payment of money to the Consolidated or the Saskatchewan Heritage Funds are reflected in these statements. Accumulated surpluses or deficits of these entities are not included.

Various special purpose and other funds are administered by the Minister of Finance. Included within these funds are superannuation funds over which the Minister provides general administrative support, trust monies held for third parties under various arrangements, and special purpose monies held for specified uses. The assets, liabilities, operations and residual balances of these are maintained and reported separately from those of the reporting entity.

1b. Principles of Combination

The financial transactions for the Consolidated Fund and the Saskatchewan Heritage Fund are combined. Transactions between the funds, such as the fund dividend paid to the Consolidated Fund by the Saskatchewan Heritage Fund, are eliminated.

1c. Basis of Accounting

The financial statements are prepared using a modified cash basis for a fiscal year commencing on April 1 and ending on March 31. Revenues are recorded as received and expenditures are charged to the accounts when payments are made. In addition, revenues received in the 30 days of April in respect of revenue raised up to March 31 of the preceding fiscal year are taken into revenue of the preceding fiscal year, and payments made during the 30 days of April which are for goods and services received in the preceding fiscal year are reported as expenditures of the preceding fiscal year.

1d. Classification of Financial Transactions

In accounting for the financial transactions a distinction is drawn between those transactions which affect the net debt and those which affect recorded assets and liabilities. The net debt is the difference between recorded liabilities and assets. Revenues and expenditures affect the net debt. Financing activities and transactions which arise from the financing activities (lending and investing) affect recorded assets and liabilities. Accordingly, transactions are recorded within three categories: Revenue and Expenditure, Lending and Investing, and Financing Activities.

• Revenue and Expenditure

Revenue and expenditure relate to normal operating activities.

• Revenue

Revenue includes revenues raised through taxation, premiums, fees, licences and permits, receipts from the Federal government under fiscal arrangements and shared-cost programs, income from investments and dividends or transfers from other funds and gains on the sale of certain agricultural lands.

• Expenditure

Expenditure includes payments for goods and services, salaries, transfer payments to individuals, municipalities and institutions, subsidies and grants, interest on public debt, acquired fixed assets and lease payments to the Saskatchewan Property Management Corporation for accommodations, furnishings and equipment.

Government of the Province of Saskatchewan Combined Funds

Notes to the Financial Statements

• Lending and Investing

These transactions result from lending and investing functions which include lending and investing activity in Crown entities, other organizations, individuals, in Agricultural Land and Related Assets acquired for resale and the administration of funds held for certain Crown entities.

• Financing Activities

Financing activities are the borrowing and repayment transactions and include borrowing on behalf of Crown entities.

• Assets and Liabilities

The majority of the assets and liabilities recorded in the statements are a result of the intermediary activity of borrowing on behalf of Crown entities. In general terms assets consist of cash, short-term investments and loans to or investments in Crown entities and other organizations and individuals.

The Saskatchewan Property Management Corporation is responsible for certain aspects of capital asset management including the acquisition, maintenance and disposal of accommodations, furnishings and equipment for the government. These assets are provided to government departments on a lease basis. Other capital assets are treated as expenditure in the year of purchase.

Liabilities consist of promissory notes, treasury bills and debentures to be repaid to outside parties and amounts that are due to provincially created Crown entities.

• Revolving Fund Transactions

Various revolving funds have been established to provide services to Government departments or the public. Each of these have statutory authority to make payments out of the Consolidated Fund for the provision of specified services.

Except for transactions relating to loans and advances to third parties, any net cash expenditure on behalf of a revolving fund is classified as an expenditure. Any net cash revenue is classified as a reduction in expenditures. Loans to third parties are classified as lending and investment transactions, and any amounts outstanding are shown as an asset.

Specific Policies

1e. Cash and Short-term Investments

• Cash

Cash is the balance on hand in the Combined Funds at March 31, adjusted in accordance with Note 1c.

• Short-term Investments

Short-term investments represent those investments purchased under authority of The Heritage Fund (Saskatchewan) Act. These investments consist mainly of chartered bank notes, treasury bills, commercial paper and bonds maturing within one year.

Short-term investments are carried at cost. Any gain (loss) on disposal of short-term investments is recorded as revenue (expenditure).

1f. Short-Term Loans to Crown Entities

These represent interest bearing loans made for a period of less than one year. Short-term loans are valued at cost.

Interest received from Crown entities on short-term loans is applied to offset the interest paid on the public debt.

1g. Loans to Crown Entities

These loans are made for a period of greater than one year to Crown corporations and generally have fixed terms of repayment.

Loans are valued at cost. Loans in foreign currency are converted to the Canadian dollar equivalent at the exchange rate in effect at March 31. In cases where the liabilities of a Crown entity significantly exceed the estimated realizable value of its assets and the accumulated deficit is not funded by an appropriation, the loan will be written down. All write-downs are charged directly to net debt.

Where debentures are issued to obtain funds for making loans, the Crown entities are required to provide the funds to repay the debt. Where sinking fund requirements are attached to the underlying debt issue, Crown entities must reimburse the Consolidated Fund for payments made to the sinking fund. The Crown entities' equity in the sinking funds reduce the recorded value of loans.

Interest received from Crown entities is applied to offset the interest expense on the debt issues.

1h. Other Loans

These loans are subject to a variety of interest rates and terms of repayment.

These loans are carried at cost and are revalued when it becomes evident that they are uncollectible. All write-downs are charged directly to net debt.

Interest received from these loans is recorded as revenue.

1i. Investments in Crown Entities

Investments in Crown entities represent long-term equity advances which are noninterest bearing and have no fixed terms of repayment.

Government of the Province of Saskatchewan

Combined Funds

Notes to the Financial Statements

Investments are valued at original cost. Revaluation of the investment will occur when the liabilities of the Crown entity significantly exceed the net realizable value of its assets and the accumulated deficit is not funded by appropriation. All write-downs reducing the carrying value of the investment are charged directly to net debt.

Dividends from the investments are recorded as revenue.

1j. Investment in Agricultural Land and Related Assets

The Heritage Fund (Saskatchewan) Act, transferred the assets and liabilities of the former Saskatchewan Land Bank Commission to the Agricultural Division of the Saskatchewan Heritage Fund effective April 1, 1983. Investment in Agricultural Land and Related Assets represents the cost of land and improvements held for resale.

Sales of these lands and improvements are recorded as a recovery of investment in amounts equal to the cost and any gains are recorded as revenue when received. Where the sale involves a long-term sales agreement, the amount equal to the cost of the investment sold is recorded as an asset; any amount due in respect of a gain on the sale is recorded as revenue only upon collection. Any loss on the sale of these lands and improvements is charged directly to equity.

1k. Other Investments

These investments are carried at cost and will be revalued when it becomes evident that there has been a permanent reduction in the value of the investment.

Any write-down of an investment is charged directly to net debt.

1l. Public Debt

Public debt represents obligations arising from borrowing activities to finance operations or to finance loans to Crown entities. Public debt consists of promissory notes, treasury bills and debentures.

• Borrowing on Behalf of Crown Entities

Where debt is acquired for the purpose of funding loans to Crown entities, the funds required to repay the principal amount of the debt attributable to these entities are reimbursed by them. All debentures due in foreign currency will be repaid when due by these entities in requisite amounts.

Because this debt is reimbursable, interest received from the Crown entities is offset against the interest paid on the debt.

• Investment in Agricultural Land

Debt acquired for the purpose of financing the Investment in Agricultural Land is considered to be fully reimbursable from the proceeds from the sale of the Agricultural Lands to be received by the Saskatchewan Heritage Fund. The interest paid on the public debt which is considered to be fully reimbursable from the lease fee revenue on the lands, received in the Farm Purchase Program Fund, is offset against the interest paid on the debt. To the extent lease fees are insufficient for this purpose, an appropriation of funds from the Saskatchewan Heritage Fund is made to cover the deficiency.

• Promissory Notes

Promissory notes are issued to cover temporary insufficiencies of the Consolidated Fund and for funding short-term loans to Crown entities.

Promissory notes are carried at face value.

In the year of issue, discounts are charged to expenditure.

• Treasury Bills

Treasury bills are issued to cover temporary insufficiencies of the Consolidated Fund.

Treasury bills are carried at par.

In the year of issue, discounts are charged to expenditure.

• Debentures

Debentures are issued to finance operations and for funding long-term loans to Crown entities.

Debentures are carried at par. In the year in which debentures are issued, discounts and premiums are charged to expenditure. Where borrowing is made to finance loans to Crown entities, all expenses including discounts are charged directly to the Crown entities and premiums are paid to the Crown entities.

Many public debentures issued require payments into a sinking fund.

• Sinking Funds

The Consolidated Fund assumes direct responsibility for all payments to sinking funds, however, the Consolidated Fund is reimbursed by Crown entities for all sinking fund payments made on debt incurred on their behalf.

Government of the Province of Saskatchewan Combined Funds

Notes to the Financial Statements

The sinking funds invest in Province of Saskatchewan debentures, other provincial government or provincial government guaranteed securities, federal government or federal government guaranteed securities, or high grade Canadian municipal securities until such time as the monies are required for retirement of debt. The sinking funds are subject to noncash calculations regarding earnings in accordance with the following accounting policies:

- Interest income is recorded on an accrual basis.
- Premium/discount on long-term investments is amortized by type of security to maintain a constant yield over the life of the investment.
- Gains/losses on the sale of long-term investments are recognized in the period the sale was transacted.

Earnings of the sinking funds are retained within the sinking funds and, accordingly, are not recorded as revenue but are credited directly to net debt.

1m. Amounts Payable to Crown Entities

These represent amounts held on deposit in the Consolidated Fund on behalf of certain Crown entities at no interest.

1n. Conditional Receipts

Funds are received for which the ultimate disposition is not immediately known or which are subject to some future action beyond the control of the payor. These funds are deposited to the credit of a liability account entitled "Conditional Receipts".

1o. Interest on Public Debt

Interest on public debt includes premiums, discounts and interest paid on promissory notes, treasury bills and debentures and recognized foreign exchange gains and losses but does not include interest on public debt borrowed on behalf of Crown entities (Note 1f, 1g). Total interest expense is \$1,029,078,000 of which \$709,067,000 is reimbursable from the other crown entities resulting in a net charge to the Consolidated Fund of \$320,011,000.

1p. Foreign Currency

Public debt due in foreign currency has been converted to the Canadian dollar equivalent at the exchange rate in effect at March 31. Unrealized gains and losses are amortized to interest on public debt on a straight line basis over the remaining life of the debt issue.

Realized gains and losses resulting from transactions or settlements are included in interest on public debt in the current year.

2. Additional Information

2a. Contingencies

● Guaranteed Debt

The Minister of Finance has explicitly guaranteed the repayment of the principal and interest of certain bonds, debentures and loans of various organizations including Crown entities. The total principal portion of all guaranteed debt at March 31 was \$1,084,811,000 (\$885,042,000 at March 31, 1988).

The guaranteed debt is not a recorded liability. If events occur which require the Government to assume the repayment of the debt, the payment is recorded as an expenditure of the Consolidated Fund. At March 31, there were no organizations in receivership whose debt had been guaranteed.

● Litigation Matters

There are a number of outstanding litigation matters against the Government of Saskatchewan. The outcomes of these are uncertain and the likely loss, if any, cannot be determined. Any loss resulting from litigation matters will be paid out of the Consolidated Fund. These Claims are:

- A claim by the Canadian National Railway against the Government of Saskatchewan. Approximately \$13 million is claimed by way of recovery of E & H Tax collected with respect to railroad rolling stock and repair bills which the plaintiff now alleges are not incorporated in the Act.
- A claim filed by the Consumers Co-operative Refineries Limited against the Province of Saskatchewan. The claim is for \$23,000,000 and relates to an Oil and Gas Incentive Grant dispute.
- A claim filed by Chief Myles Venne on behalf of the members of the Lac La Ronge, James Roberts and Amos Charles Indian Bands against the Government of Canada and Government of Saskatchewan. The claim is for approximately 250,000 acres of land in Saskatchewan based on entitlement under Treaty No. 6.
- The Province has been named in a claim filed by the Federation of Saskatchewan Indians on behalf of the Starblanket and Canoe Lake Bands. The claim is for approximately 50,000 acres of land in Saskatchewan.
- The Government is also named as defendant in various other legal actions, relating to amounts in excess of \$500,000 totalling approximately \$6.0 million.

Government of the Province of Saskatchewan

Combined Funds

Notes to the Financial Statements

• Crop Reinsurance Fund of Saskatchewan

The Consolidated Fund is liable for funding any deficiency arising in the Crop Reinsurance Fund of Saskatchewan. As at March 31, 1989, the Crop Reinsurance Fund of Saskatchewan had a \$128.8 million deficit as a result of crop insurance claims in excess of the accumulated surplus of the Saskatchewan Crop Insurance Corporation — Insurance Operation and the Crop Reinsurance Fund of Saskatchewan. The likelihood of payment to the Crop Reinsurance Fund of Saskatchewan is dependent upon the future level of claims in relation to premiums and therefore is not determinable at this time.

2b. Saskatchewan Liquor Board Profits

The Consolidated Fund receives a portion of the profits of the Saskatchewan Liquor Board as determined from time to time by Treasury Board.

2c. Overcommitments

The financial statements are prepared using a modified cash basis of accounting. Under this method, accounts receivable or payable are not recorded. However, there is a legislative requirement that no liability shall be incurred which exceeds the unencumbered balance of an appropriation.

Two departments had overcommitted their appropriations by a total of \$415,934 at March 31, 1989:

Economic Development and Trade	\$ 394,459
Parks, Recreation and Culture	21,475
	<u>\$ 415,934</u>

The overcommitted figure reflects the amount by which expenditures plus accounts payable exceed the estimates adjusted for special warrants and virements. Accounts payable are defined to be debts for goods or services received by a department prior to March 31 and which remain unpaid at April 30.

2d. Superannuation

For certain pension plans part of the benefits and/or deficiency arising when the benefits exceed the assets available in the plans are payable out of the Consolidated Fund.

The following is a brief description of these plans:

• Public Service Superannuation Plan

This is an unfunded plan. All employee contributions are recorded as revenue of the Consolidated Fund, and all payments required are recorded as expenditures of the Consolidated Fund.

• Public Employees (Government Contributory) Superannuation Fund

This is a funded plan, with member contributions being matched by the applicable employer. The employer's contribution is recorded as an expenditure of the Consolidated Fund. Since benefits are based on accumulated contributions to the fund, no unfunded liability accrues.

• Public Employees (Government Contributory) Annuity Fund

In 1985-86 The Superannuation (Supplementary Provisions) Act was amended creating the Public Employees (Government Contributory) Annuity Fund. The related assets and accumulated balances of members who have chosen this annuity option were transferred to the annuity fund from the Public Employees (Government Contributory) Superannuation Plan and all annuities are paid out of the Fund. Upon retirement, an employee is entitled to receive a guaranteed life annuity provided by the amount standing to his credit in the Fund at the time.

• Teachers' Superannuation Fund

Teacher contributions are paid into a separate fund, with allowances and benefits being made from the fund. Teacher contributions on and after July 1, 1980 with matching contributions from the Consolidated Fund are also paid into the Fund. Any deficiency arising when retirement benefits and allowances exceed the assets available in the Fund is payable from the Consolidated Fund.

• Teachers' Annuity Fund

This is a funded plan for teachers who had never taught in the provincial school system prior to July 1, 1980 and enter the school system after that date. Teacher contributions are matched by payments from the Consolidated Fund. Contributions are paid into a separate fund, with allowances and refunds being made from the fund based upon the contribution made and investment earnings allocated. Since benefits are based on accumulated contributions to the fund, no unfunded liability accrues.

• Teachers' Supplementary Allowances Fund

This fund was created in conjunction with the Teachers' Annuity Fund. A designated portion of contributions made by teachers into the Annuity Fund is paid into the Teachers' Supplementary Allowances Fund for the purpose of increasing allowances for cost of living and to pay survivor benefits to dependents of teachers. Teacher contributions are matched by payments from the Consolidated Fund. Since benefits are based on accumulated contributions to the fund, no unfunded liability accrues.

Government of the Province of Saskatchewan Combined Funds

Notes to the Financial Statements

• Members of the Legislative Assembly Superannuation Fund

This is a funded plan, with member contributions being matched by the Consolidated Fund, which also pays an annual amount and any other amounts that may be appropriated. Contributions are paid into a separate fund, with allowances and refunds being made from the fund. Any deficiency arising when the benefits exceed the assets available in the fund is payable from the Consolidated Fund.

• Judges of the Provincial Court Superannuation Fund

Employee contributions are paid into a separate fund with allowances, refunds, and transfers paid out of the fund. Any deficiency arising when the benefits exceed the assets available in the fund is payable from the Consolidated Fund.

Annuities and allowances made under The Magistrates Court Act (repealed) are also paid out of the Judges of the Provincial Court Superannuation Fund. Employees do not make contributions. The Consolidated Fund reimburses the Judges of the Provincial Court Superannuation Fund for all payments to superannuates.

• Anti-Tuberculosis League Employees Superannuation Fund

Employee contributions are matched by The Saskatchewan Anti-Tuberculosis League. Contributions are paid into a separate fund with allowances, refunds, and transfers paid out of the fund. Any deficiency arising when the benefits exceed the assets available in the fund is payable from the Consolidated Fund.

The following is a summary of the unfunded liability in respect of these pension plans as indicated in the most recent actuarial reports:

	Date of Report	Liability As At	Unfunded Liability (In Thousands of Dollars)
Public Service Superannuation Plan	Nov./86	Mar./86	\$ 646,615
Public Employees (Government Contributory) Superannuation Plan			N/A
Public Employees (Government Contributory) Annuity Fund	Sept./89	Mar./89	508
Teachers' Superannuation Fund	Nov./86	June/86	1,279,000
Teachers' Annuity Fund			N/A
Teachers' Supplementary Allowances Fund			N/A
Members of the Legislative Assembly Superannuation Fund	Jan./87	Mar./86	15,696
Judges of the Provincial Court Superannuation Fund	Jan./83	Jan./83	6,330
Anti-Tuberculosis League Employees Superannuation Fund	Jan./85	Mar./84	1,238
Saskatchewan Transportation Company Employees Superannuation Fund	Jan./85	Mar./84	3,816
Saskatchewan Pension Plan — Basic Pension Liability — Minimum Pension Supplement	Mar./89	Dec./87	3
		Dec./87	1,460
			\$1,954,666

Government of the Province of Saskatchewan Combined Funds

Notes to the Financial Statements

2e. Legal Defeasance

During 1986-87, \$89.3 million, due December 30, 2004, bearing an interest rate of 9 5/8% per annum was advanced to Saskatchewan Power Corporation. Saskatchewan Power Corporation completed a legal defeasance of this Advance by placing a promissory note receivable with identical terms to the Advance into an irrevocable trust to be used solely for satisfying the principal and interest payments on the Advance. The promissory note is receivable from an unrelated third party and is guaranteed by the Government of Saskatchewan under a previous agreement. Although the promissory note has been accepted as full and final satisfaction of the Advance, the promissory note remains in the irrevocable trust. Accordingly, these financial statements will continue to reflect a receivable from the Saskatchewan Power Corporation Trust until such time as all claims against the Trust are extinguished. This receivable is included in loans to Saskatchewan Power Corporation as detailed on Schedule 3 — Loans to Crown Entities.

2f. Saskatchewan Property Management Corporation

The Saskatchewan Property Management Corporation is responsible for certain aspects of capital asset management including acquisition, maintenance and disposal of accommodations, furnishings and equipment for the government. During 1988/89 the Consolidated Fund paid approximately \$122,037,000 (\$134,488,000 in 1987/88) to the Saskatchewan Property Management Corporation for goods and services received.

2g. Comparative Information

Certain of the 1988 figures have been reclassified to conform with the current year presentation, however, with regard to expenditures of the prior year, the figures are reported on the same basis as the Estimates of the prior year.

Government of the Province of Saskatchewan Combined Funds

Schedule 1

Cash and Short-Term Investments

March 31, 1989

	(In Thousands of Dollars)	
	1989	1988
Cash (Overdraft)	\$ (1,376)	\$(56,376)
Short-Term Investments	11,169	9,287
	\$ 9,793	\$(47,089)

The market value of the Short-Term Investments at March 31, 1989 is \$11,272,292. (March 31, 1988 \$9,376,875).

Government of the Province of Saskatchewan Combined Funds

Schedule 2

Short-Term Loans to Crown Entities

March 31, 1989

	(In Thousands of Dollars)	
	1989	1988
Agriculture Credit Corporation of Saskatchewan	\$ 50,600	\$ —
Agriculture Development Corporation	3,200	2,000
Crown Investments Corporation of Saskatchewan	109,297	395,406
Municipal Financing Corporation of Saskatchewan	45,900	28,200
Saskatchewan Economic Development Corporation	41,076	48,664
Saskatchewan Government Printing Company	2,100	2,100
Saskatchewan Mining and Development Corporation	—	6,000
Saskatchewan Power Corporation	39,000	—
Saskatchewan Property Management Corporation	47,100	—
Saskatchewan Water Corporation	44,300	10,800
	\$382,573	\$493,170

Government of the Province of Saskatchewan

Combined Funds

Schedule 3

Loans to Crown Entities

March 31, 1989

(In Thousands of Dollars)

	Principal Amount Outstanding	Equity in Sinking Funds	Ending Balance	Ending Balance
	1989			1988
Agricultural Credit Corporation of Saskatchewan	\$ 772,343	\$ —	\$ 772,343	\$1,040,743
Crown Investments Corporation of Saskatchewan	1,507,890	—	1,507,890	1,129,113
Municipal Financing Corporation of Saskatchewan	54,724	—	54,724	54,724
Saskatchewan Economic Development Corporation	61,566	—	61,566	57,647
Saskatchewan Grain Car Corporation	39,550	—	39,550	41,383
Saskatchewan Housing Corporation	317,304	—	317,304	317,304
Saskatchewan Mining Development Corporation	—	—	—	364,060
Saskatchewan Power Corporation	2,218,620	287,253	1,931,367	1,985,144
Saskatchewan Property Management Corporation	385,136	—	385,136	340,836
Saskatchewan Telecommunications	756,274	131,123	625,151	631,368
Saskatchewan Water Corporation	2,037	963	1,074	1,307
	6,115,444	419,339	5,696,105	5,963,629
Less: Loan Loss Provision	63,979	—	63,979	63,979
	\$6,051,465	\$ 419,339	\$5,632,126	\$5,899,650

Government of the Province of Saskatchewan

Combined Funds

Schedule 4

Other Loans

March 31, 1989

(In Thousands of Dollars)

	1989	1988
Agriculture		
South Saskatchewan River Irrigation Projects		
Acquisition and Improvements of Lands for Resale	\$ 84	\$ 349
Loans to Farm Operators for Land Improvement	39	48
Economic Development and Tourism		
Economic Development Loans	9,288	9,033
Less: Provision for Doubtful Accounts	<u>1,607</u>	<u>1,386</u>
Hudson Bay Dehydrators Mutual Limited	57	57
Education		
School Loans	50	102
Student Loan Program	78,480	45,233
Finance		
Receiver General for Canada (Postage Deposit)	250	250
Treasury Advances	694	476
University of Saskatchewan	2,226	2,234
Less: Equity in Sinking Fund	<u>1,077</u>	<u>939</u>
Health		
University Hospital Board	557	634
Urban Affairs		
Agricultural Service Centres Agreement		
— Shareable	3,765	4,080
Employment Loans Program		
— Federal-Provincial	514	597
Loans to Industrial Towns	50	100
Loans to Municipalities Pursuant to Downtown Development Agreements	6,913	6,288
Loans to Municipalities — Municipal Development and Loan (Saskatchewan) Act	550	678
Winter Works Employment Program		
— Federal-Provincial	2,691	3,200
Winter Works Employment Program		
— Provincial	594	701
Urban Loan Assistance Program	121	126
Saskatchewan Crop Insurance Corporation*		
Loans to cover Crop Insurance claims pursuant to an agreement between Provincial and Federal Governments	426,782	79,235
Saskatchewan Agricultural Returns Stabilization Fund		
Loans	122,681	82,773
Less: Provision for Loss	<u>122,681</u>	<u>—</u>
Heritage Fund		
Loans and Sales Agreements	5,126	5,348
	\$536,147	\$156,444

*For more information refer to note 2a regarding the Crop Reinsurance Fund of Saskatchewan.

Government of the Province of Saskatchewan Combined Funds

Schedule 5

Investment in Crown Entities

March 31, 1989

	(In Thousands of Dollars)	
	1989	1988
Crown Investments Corporation of Saskatchewan	\$907,044	\$187,559
Potash Corporation of Saskatchewan	—	418,553
Saskatchewan Mining Development Corporation	—	218,700
	\$907,044	\$824,812

Government of the Province of Saskatchewan Combined Funds

Schedule 6

Other Investments

March 31, 1989

	(In Thousands of Dollars)	
	1989	1988
Investments in Co-operatives:		
Hudson Bay Dehydrators Mutual Limited	\$ 4	\$ 4
Paradise Hill Seed Cleaning Co-operative Limited	10	10
Federal Government Bonds	1,037	1,037
Provincial Government Bonds	1,526	3,268
Saskatchewan Municipal Bonds	359	662
	\$2,936	\$4,981

The market value of Long-Term Investments in bonds at March 31, 1989, is \$2,848,648, (March 31, 1988: \$5,031,468).

Government of the Province of Saskatchewan

Combined Funds

Schedule 7

Promissory Notes

March 31, 1989

(In Thousands of Dollars)

Maturity	1989	1988
1988-89	\$ —	\$1,199,380
1989-90	1,508,650	—
Total	\$1,508,650	\$1,199,380

Issued for the Purpose of:	1989	1988
Consolidated Fund — Operations	\$ 994,541	\$ 243,874
Crown Entities	514,109	955,506
	\$1,508,650	\$1,199,380

Note: For more detailed information, refer to Part B of this Volume.

The following table sets forth the debt characteristics at March 31:

(In Thousands of Dollars)					
	1989			1988	
	Amount Outstanding	Weighted Average Years to Maturity	Weighted Average Interest Rate	Amount Outstanding	Weighted Average Interest Rate
		(years)	(per cent.)		(per cent.)
Promissory Notes	\$1,508,650	0.10	11.581	\$1,199,380	8.711

Government of the Province of Saskatchewan

Combined Funds

Schedule 8

Treasury Bills

March 31, 1989

(In Thousands of Dollars)

Maturity	1989	1988
1988-89	\$ —	\$ 650,000
1989-90	650,000	—
	\$ 650,000	\$ 650,000

Issued for the Purpose of:

1989 1988

Consolidated Fund — Operations	\$ 650,000	\$ 650,000
	\$ 650,000	\$ 650,000

Note: For more detailed information, refer to Part B of this Volume.

The following table sets forth the debt characteristics at March 31:

(In Thousands of Dollars)

	1989			1988	
	Amount Outstanding	Weighted Average Years to Maturity	Weighted Average Interest Rate	Amount Outstanding	Weighted Average Interest Rate
				(years)	(per cent.)
Treasury Bills	\$ 650,000	0.13	11.610	\$ 650,000	8.487

Government of the Province of Saskatchewan

Combined Funds

Schedule 9

Debentures

March 31, 1989

(In Thousands of Dollars)

Year of Maturity	Canadian Dollar Debt	Foreign Debt (Can. Dollars)	Total (Canadian Dollars)	1989	1988
1988-89	\$ —	\$ —	\$ —	\$ 540,142	
(a) 1989-90	703,551	—	703,551	696,294	
(b) 1990-91	806,954	10,560	817,514	802,663	
(c) 1991-92	1,032,595	178,980	1,211,575	1,063,137	
(d) 1992-93	571,508	174,747	746,255	747,351	
(e) 1993-94	737,975	—	737,975	—	
1-5 years	3,852,583	364,287	4,216,870	3,849,587	
(f) 6-10 years	1,811,028	—	1,811,028	1,886,078	
11-15 years	1,376,996	—	1,376,996	1,298,830	
16-20 years	783,334	423,100	1,206,434	1,182,068	
21-25 years	889	—	889	154,263	
26-30 years	—	—	—	2,259	
	\$ 7,824,830	\$ 787,387	\$ 8,612,217	\$ 8,373,085	

The debentures in U.S. dollars have been converted to Canadian Dollars at the exchange rate in effect at March 31, 1989 (1.1932) and March 31, 1988 (1.2341).

Note: (a) Includes \$125,842,000, Canadian, maturing November 15, 1989. A portion of the original issue, \$40,000,000, 11 7/8% U.S. dollar debentures converted by forward contract to \$53,200,000, Canadian with an effective interest rate of 12.31%. The remaining \$60,000,000, 11 7/8% U.S. dollar debentures converted by forward contract to \$72,642,000 Canadian with an effective interest rate of 11 7/8%. Includes \$162,884,996 Canadian, maturing March 15, 1990. The original issue of \$125,000,000, 10 1/4% U.S. dollar debentures converted by forward contract to \$162,884,996 Canadian, with an effective interest rate of 7.57%. Includes \$56,027,073, Canadian, maturing March 28, 1990. The original issue of 10,000,000,000, 7.4% Yen debentures, with semi-annual interest payments converted by forward contract to \$56,027,073, Canadian, with annual interest payments and an effective interest rate of 9.53%.

(b) Includes \$73,637,703, Canadian, maturing November 27, 1990. The original issue of 15,000,000,000 Yen converted by forward contract to \$73,637,703, Canadian. Includes \$200,324,744, Canadian, maturing March 5, 1991. The original issue of \$150,000,000, 8 1/2% U.S. dollar debentures converted by forward contract to \$200,324,744, Canadian, with an effective interest rate of 6.50%.

(c) Includes \$113,927,728, Canadian, maturing April 9, 1991. The original issue of 15,000,000,000, 7 1/2% Yen converted by forward contract to \$113,927,728, Canadian. Includes \$63,528,000, Canadian, maturing July 21, 1991. The original issue of \$50,000,000, 9% U.S. dollar debentures converted by forward contract to \$63,528,000, Canadian with an effective interest rate of 7.71%. Includes \$166,556,500, Canadian, maturing July 24, 1991. The original issue of 125,000,000, 7 1/2% U.S. dollar debenture converted by forward contract to \$166,556,500, Canadian with an effective interest rate of 6.34%. Includes \$59,600,000, Canadian, maturing October 1, 1991. The original issue of 50,000,000, 16 3/8% U.S. dollar debentures converted by forward contract to \$59,600,000, Canadian, with an effective interest rate of 8.92%. Includes \$133,550,000, Canadian, maturing March 1, 1992. The original issue of \$100,000,000 10 1/4% U.S. dollar debentures converted by forward contract to \$133,550,000, Canadian, with an effective interest rate of 11.26%.

(d) Includes \$46,452,384, U.S., maturing June 30, 1992. The original issue of 100,000,000, 6 1/4% Swiss franc debentures converted by forward contract to \$46,452,384, U.S., with an effective interest rate of 15 5/8%. Includes \$61,629,173, Canadian, maturing July 25, 1992. The original issue of 15,000,000,000 Yen converted by forward contract to \$61,629,173, Canadian. Includes \$66,560,000, Canadian, maturing August 15, 1992. The original issue of 50,000,000, 15% U.S. dollar debentures converted by forward contract to \$66,560,000 Canadian, with an effective interest rate of 13.58%.

(e) Includes \$81,806,282, Canadian, maturing May 29, 1993. The original issue of 10,000,000,000 6.4% Yen converted by forward contract to \$81,806,282, Canadian, with an effective interest rate of 8.653%. Includes \$50,000,000, Canadian, maturing November 10, 1993. The original issue of 5,276,485,000 5.70% Yen converted by forward contract to \$50,000,000, Canadian, with an effective interest rate of 10.05%.

(f) Includes \$45,799,385, Canadian, maturing April 8, 1997. The original 5,000,000,000 5 1/2% Yen converted by forward contract to \$45,799,385, Canadian, with an effective interest rate of 10.906%. Includes \$75,175,979, Canadian, maturing November 27, 1997. The original issue of 100,000,000 5 1/4% Swiss francs converted by forward contract to \$75,175,979, Canadian, with an effective interest rate of 9.583%. Includes \$111,692,874, Canadian, maturing February 17, 1998. The original issue of 150,000,000 4 1/4% Swiss francs converted by forward contract to \$111,692,874 Canadian, with an effective interest rate of 8.014%.

Government of the Province of Saskatchewan

Combined Funds

Schedule 9

(g) Debentures include \$2,221,045, maturing December 1, 2015, payable in blended semi-annual payments of principal and interest totalling \$76,399. Prepayable in whole or in part any time prior to December 1, 2015, without penalty. The semi-annual principal repayments are included in the total debentures maturing each year.

(h) Debentures include \$1,577,117,000 (\$1,519,093,000 — March 31, 1988) of Canadian Pension Plan debentures which are subject to redemption on six months notice.

The debentures were issued for the purpose of and are reimbursable from the following sources:

	(In Thousands of Dollars)	
	1989	1988
Agricultural Credit Corporation of Saskatchewan	\$ 728,243	\$ 728,243
Crown Investments Corporation of Saskatchewan	1,507,890	1,129,113
Municipal Financing Corporation of Saskatchewan	54,724	54,724
Saskatchewan Economic Development Corporation	61,566	57,647
Saskatchewan Heritage Fund: Investment in Agricultural Land	184,436	184,436
Saskatchewan Housing Corporation	317,304	317,304
Saskatchewan Mining Development Corporation	—	364,060
Saskatchewan Power Corporation	2,216,457	2,296,159
Saskatchewan Property Management Corporation	200,000	100,000
Saskatchewan Telecommunications	756,273	758,716
Saskatchewan Water Corporation	2,037	5,037
University of Saskatchewan	2,226	2,234
Consolidated Fund — Operations	6,031,156	5,997,673
	2,581,061	2,375,412
	\$8,612,217	\$8,373,085

Note: For more detailed information, refer to Part B of this Volume.

The following table sets forth the debt characteristics at March 31:

	(In Thousands of Dollars)					
	1989		1988			
	Amount Outstanding	As a Percentage of Total	Weighted Average Years to Maturity	Weighted Average Interest Rate	Amount Outstanding	Weighted Average Interest Rate
	(years)	(per cent.)	(years)	(per cent.)	(per cent.)	(per cent.)
Public Debentures	\$7,028,866	81.6	6.30	10.174	\$6,847,209	10.108
C.P.P. Debentures	1,577,117	18.3	11.69	10.730	1,519,093	10.675
Other Debentures	6,234	0.1	—	—	6,783	—
	\$8,612,217	100.0	—	—	\$8,373,085	—

Government of the Province of Saskatchewan Combined Funds

Schedule 10

Summary of Sinking Funds

March 31, 1989

(In Thousands of Dollars)

	Consolidated Fund's Share	Crown Entities' Share	Other Enterprises' Share	1989 Total	1988 Total
Balance, Beginning of year	\$ 9,073	\$ 444,541	\$ 938	\$ 454,552	\$ 428,110
Contributions Made During the Year	120	18,305	35	18,460	19,260
Earnings in the Year	1,001	45,501	104	46,606	47,671
	10,194	508,347	1,077	519,618	495,041
Deduct: Funds Applied on Redemption	—	89,008	—	89,008	40,489
Balance, End of Year	\$ 10,194	\$ 419,339	\$ 1,077	\$ 430,610	\$ 454,552

Government of the Province of Saskatchewan Combined Funds

Schedule 11

Amounts Payable to Crown Entities

March 31, 1989

(In Thousands of Dollars)

	1989	1988
Environmental Protection Fund	\$ 3,583	\$ —
Future Corporation	1,084	—
Saskatchewan Hospital Services Fund	—	6,310
Saskatchewan Liquor Board	144,900	213,800
Special Projects Fund	—	95
The Market Development Fund	164	187
	\$149,731	\$220,392

Government of the Province of Saskatchewan

Combined Funds

Schedule 12

Guaranteed Debt

March 31, 1989

(In Thousands of Dollars)

	1989	1988
Crown Corporations		
The Municipal Financing Corporation Act		
Guaranteed Debentures	\$ 50,500	\$ 54,000
Potash Corporation of Saskatchewan		
Royal Trust, London Life Lease	31,426	33,047
T.D., Mutual Life, London Life Lease	40,656	42,374
Royal Trust Lease	26,984	28,031
The Power Corporation Act		
I.A.C. Limited — Dragline Lease	27,017	27,744
Manalta Coal**	41,986	42,726
Marubeni Corporation	4,600	6,901
Saskatchewan Power Savings Bond		
Series I	71	957
Series II	452	77,843
Series III	19,002	66,436
Series IV	21,919	99,530
Series V	95,388	—
Series V-E	123,789	—
The Saskatchewan Development Fund Act		
Guaranteed Investments	3,684	2,817
The Saskatchewan Mining Development Corporation Act		
Letter of Credit (U.S. Funds — maximum \$14,500,000 U.S.)	—	4,690
Her Majesty in the Right of Canada	—	19,947
The Saskatchewan Telecommunications Act		
Credit Telebonds	36,833	—
Interest Telebonds	69,526	—
	593,833	507,043
Other		
The Saskatchewan Oil and Gas Corporation Act		
Saskatchewan Oil Bonds	15,000	15,000
The Agricultural Incentives Act		
Agricultural Credit Corporation of Saskatchewan Operating Loans	342	312
The Agricultural Societies Act		
Loans to Exhibition Associations	590	727
The Co-operatives Guarantee Act		
Saskatchewan Co-op Credit Society — Loans to Co-operatives	778	796
The Family Farm Credit Act		
Co-op Trust Company	—	141
The Farmer's Counselling and Assistance Act	48,984	45,775
The Feeder Associations Loan Guarantee Act	13,381	8,631
The Government Organizations Act	718	204
The Housing and Special Care Homes Act		
Senior Citizens Housing	1,203	1,337
The Department of Tourism and Small Business Act		
Loans to Small Business	1,235	1,077
The NewGrade Energy Inc. Act		
NewGrade Energy Inc.	325,347	233,302
The Pulp and Paper Mills Act		
Weyerhaeuser Canada Ltd.	83,400	70,697
	490,978	377,999
	\$1,084,811	\$885,042

** The amount is net of \$3,014,365 which is Manalta's equity in the Sinking Fund administered by the Minister of Finance. (\$2,274,377 — 1988)

Note: In addition to the amount shown, there is a contingent liability for interest accrued on these items.

**Government of the Province of Saskatchewan
Combined Funds**

Schedule 13

Summary of Public Debt Transactions

March 31, 1989

(In Thousands of Dollars)

	Balance, Beginning of Year	Sold	Redeemed	*Swap Gain	**Exchange Gain	Balance, End of Year
Debentures	\$ 8,373,085	\$ 843,932	\$ 565,062	\$ 12,748	\$ 26,990	\$ 8,612,217
Treasury Bills	650,000	2,600,000	2,600,000	—	—	650,000
Promissory Notes	1,199,380	8,182,409	7,873,139	—	—	1,508,650
	\$ 10,222,465	\$ 11,626,341	\$ 11,038,201	\$ 12,748	\$ 26,990	\$ 10,770,867

*Reflects the gain resulting from converting Foreign debt to \$ Canadian debt during the year.

**Reflects the difference in conversion values at March 31, 1988 and March 31, 1989, resulting from converting \$ U.S. debt into \$ Canadian.

Auditor's Report

To the Members of the Legislative Assembly
of Saskatchewan

I have examined the statement of financial position of the Consolidated Fund as at March 31, 1989 and the statements of net debt, revenue and expenditure, loan, investment and deposit activity and financing and changes in financial position for the year then ended. My examination was made in accordance with generally accepted auditing standards, and accordingly included such tests and other procedures as I considered necessary in the circumstances.

Loans to crown entities include disbursements to the Saskatchewan Property Management Corporation of \$385,136,000 (1988 — \$340,836,000). It is inappropriate to record these disbursements as assets of the Consolidated Fund since their repayment depends upon future appropriations from the Consolidated Fund. Accordingly, these disbursements should have been recorded as expenditures. If these disbursements had been recognized as expenditures, loans to crown entities would have been reduced by \$385,136,000 (1988 — \$340,836,000), net debt would have been increased by \$385,136,000 (1988 — \$340,836,000) and excess of expenditure over revenue would have been increased by \$44,300,000 (1988 — \$158,843,000).

In my opinion, except for the failure to record disbursements as expenditures as described in the preceding paragraph, these financial statements present fairly the financial position of the Consolidated Fund as at March 31, 1989 and the results of its operations and the changes in its financial position for the year then ended in accordance with the accounting principles disclosed in Note 1 to the financial statements applied on a basis consistent with that of the preceding year.

Regina, Saskatchewan,
October 26, 1989.



G. F. Wendel, C.A.,
A/Provincial Auditor.

Government of the Province of Saskatchewan

Consolidated Fund

Statement of Financial Position

March 31, 1989

(In Thousands of Dollars)

Assets	1989	1988
Schedule		
1 Cash (Note 1d)	\$ (1,179)	\$ (56,460)
2 Short-Term Loans to Crown Entities (Note 1e)	284,873	402,170
3 Loans to Crown Entities (Note 1f)	5,774,849	6,040,255
4 Other Loans (Note 1g)	531,021	151,096
5 Other Investments (Note 1h)	14	14
Total Assets	\$ 6,589,578	\$ 6,537,075

Liabilities and Net Debt

Public Debt (Note 1i)		
6 Promissory Notes (Note 1i)	\$ 1,508,650	\$ 1,199,380
7 Treasury Bills (Note 1i)	650,000	650,000
8 Debentures (Note 1i)	8,612,217	8,373,085
9 Less: Sinking Funds (Note 1i)	(430,610)	(454,552)
	10,340,257	9,767,913
10 Amounts Payable to Crown Entities (Note 1j) Conditional Receipts (Note 1k)	652,066 6,954	762,139 11,039
Total Liabilities	10,999,277	10,541,091
11 Contingencies (Note 2a)		
Net Debt	(4,409,699)	(4,004,016)
Total Liabilities and Deficiency	\$ 6,589,578	\$ 6,537,075

(See Accompanying Notes)

Government of the Province of Saskatchewan

Consolidated Fund

Statement of Net Debt

For the Year Ended March 31, 1989

	(In Thousands of Dollars)	
	1989	1988
Net Debt, Beginning of Year	\$ (4,004,016)	\$ (3,372,415)
Excess of Revenue Over Expenditure	(366,554)	(625,219)
Sinking Fund Earnings Retained in Sinking Funds	1,000	2,548
Provision for Loss — Loans to Crown Entities	—	(7,414)
Provision for Loss — Other Loans	(40,129)	(1,516)
Net Debt, End of Year	\$ (4,409,699)	\$ (4,004,016)

(See Accompanying Notes)

Government of the Province of Saskatchewan

Consolidated Fund

Statement of Revenue and Expenditure

For the Year Ended March 31, 1989

(In Thousands of Dollars)

Revenue	1989	1988
Taxes		
Corporation Capital	\$ 86,946	\$ 55,218
Corporation Income	128,294	123,726
Fuel	144,442	161,168
Individual Income	847,838	768,555
Insurance	20,752	20,089
Mineral Acreage	5,629	5,917
Sales	498,634	455,302
Tobacco	99,066	89,810
Other	7,046	7,150
Total Taxes	1,838,647	1,686,935
Receipts from Government Enterprises and Other Funds		
Saskatchewan Heritage Fund Dividends (Note 2b)	300,000	370,000
Saskatchewan Liquor Board Profits (Note 2c)	194,000	—
Other Receipts	25,013	5,905
Total Receipts from Government Enterprises and Other Funds	519,013	375,905
Other Own Source Revenues		
Fines, Forfeits and Penalties	8,977	9,040
Interest, Premium, Discount and Exchange	8,437	9,636
Privileges, Licences and Permits		
Lands, Forest, Game, Fur, Fisheries and Water	11,769	11,614
Motor Vehicles	79,291	67,874
Other	12,707	17,479
Sales, Services and Service Fees	37,867	45,928
Other Revenues	18,130	23,628
Total Other Own Source Revenues	177,178	185,199
Receipts from Other Governments		
Agricultural and Rural Development Act	—	125
Canada Assistance Plan	154,916	156,801
Department of Regional Industrial Expansion	754	603
Equalization Payment	454,572	302,675
Established Programs Financing	396,994	406,233
Statutory Subsidy	2,184	2,192
Other Federal Contributions	57,615	45,550
Other Receipts	7,332	8,602
Total Receipts from Other Governments	1,074,367	922,781
Total Revenue	\$3,609,205	\$3,170,820

(See Accompanying Notes)

Government of the Province of Saskatchewan

Consolidated Fund

Statement of Revenue and Expenditure

For the Year Ended March 31, 1989

(In Thousands of Dollars)

Expenditure	1989	1988
Agriculture	\$ 149,082	\$ 131,256
Consumer and Commercial Affairs	5,565	5,435
Economic Development and Tourism	15,591	13,187
Economic Diversification and Investment Fund	16,201	17,671
Education	810,400	779,886
Energy and Mines	12,253	12,260
Environment and Public Safety	10,244	12,800
Executive Council	6,597	6,611
Finance: Interest on Public Debt (Note 1)*	320,011	282,043
Other	153,861	133,958
Health	1,249,220	1,183,594
Highways and Transportation	225,107	215,473
Human Resources, Labour and Employment	65,027	54,329
Indian and Native Affairs Secretariat	3,752	—
Justice	140,795	128,016
Legislation	13,872	11,057
Parks, Recreation and Culture	100,911	103,871
Provincial Auditor	2,890	3,230
Provincial Secretary	4,765	2,728
Public Participation	3,365	729
Public Service Commission	10,022	9,830
Rural Development	69,529	54,378
Saskatchewan Crop Insurance Corporation	14,927	11,931
Saskatchewan Housing Corporation	75,141	110,584
Saskatchewan Municipal Board	772	447
Saskatchewan Property Management Corporation	6,763	8,102
Saskatchewan Research Council	6,479	7,840
Saskatchewan Water Corporation	21,058	12,456
Science and Technology	1,936	1,718
Social Services	364,475	378,435
Department of Telephones	505	493
Trade and Investment	5,823	7,473
Urban Affairs	88,820	94,218
Total Expenditure	\$3,975,759	\$3,796,039
Excess of Expenditure over Revenue	\$366,554	\$625,219

* A gain of \$43,773,000 resulting from the swap of Consolidated Fund foreign currency debt has been netted against the cost of interest on Public Debt.
(See Accompanying Notes)

Government of the Province of Saskatchewan Consolidated Fund

Statement of Loan, Investment and Deposit Activity

For the Year Ended March 31, 1989

(In Thousands of Dollars)

	1989		1988	
	Disbursements	Receipts	Disbursements	Receipts
Loans				
Agricultural Credit Corporation of Saskatchewan	\$ 864,400	\$ 1,132,800	\$ 400,000	\$ 623,100
Crown Investments Corporation of Saskatchewan	645,523	293,412	792,145	349,125
Potash Corporation of Saskatchewan	—	—	—	523,020
Saskatchewan Economic Development Corporation	3,919	—	7,000	—
Saskatchewan Mining Development Corporation	—	370,523	61,705	229,766
Saskatchewan Property Management Corporation	1,130,702	1,086,402	158,844	—
Saskatchewan Power Corporation	69,234	127,990	67,736	29,752
Saskatchewan Telecommunications	20,779	15,074	13,597	772
Saskatchewan Water Corporation	—	3,000	—	9,839
Other	475,984	55,790	89,066	60,489
Total Loan Disbursements and Receipts	3,210,541	3,084,991	1,590,093	1,825,863
Investments				
Other	—	—	—	5
Total Investment Disbursements and Receipts	—	—	—	5
Deposits				
Crown Entities	1,269,827	1,159,754	1,011,610	1,215,469
Sinking Fund	18,460	18,340	19,260	18,837
Redemption of Sinking Funds	—	—	—	18,362
Conditional Receipts	5,730	1,644	—	6,449
Total Deposit Disbursements and Receipts	1,294,017	1,179,738	1,030,870	1,259,117
Total Disbursements and Receipts	\$ 4,504,558	\$ 4,264,729	\$ 2,620,963	\$ 3,084,985
Total Excess of Disbursements Over Receipts (Receipts Over Disbursements)		\$ 239,829		\$ (464,022)

(See Accompanying Notes)

Government of the Province of Saskatchewan

Consolidated Fund

Statement of Financing and Changes in Financial Position

For the Year Ended March 31, 1989

(In Thousands of Dollars)

	1989	1988
Cash Requirements		
Revenue and Expenditure		
Expenditure	\$ 3,975,759	\$ 3,796,039
Revenue	3,609,205	3,170,820
	\$ 366,554	\$ 625,219
Loan, Investment and Deposit		
Disbursements	4,504,558	2,620,963
Receipts	4,264,729	3,084,985
	239,829	(464,022)
Non-Cash Gain on Swap of Foreign Debt	43,773	—
Net Cash Requirement	650,156	161,197
Financing (Schedule 12)		
Proceeds from Debt	11,626,341	10,620,152
Repayment of Debt	11,038,201	10,112,438
	588,140	507,714
Net Increase (Decrease) in Cash and Short-Term		
Loans and Investments	(62,016)	346,517
Cash and Short-Term Loans and Investments, Beginning of Year	345,710	(807)
Cash and Short-Term Loans and Investments, End of Year	\$ 283,694	\$ 345,710

(See Accompanying Notes)

Government of the Province of Saskatchewan Consolidated Fund

Notes to the Financial Statements

For the Year Ended March 31, 1989

1. Significant Accounting Policies

General Policies

1a. Reporting Entity

These financial statements have been prepared for the purpose of disclosing the financial position of the Consolidated Fund at March 31, 1989 and the results of its financial activities for the year then ended in accordance with the statutory authorities governing its operation.

The Consolidated Fund is the general fund into which all revenues over which the Legislative Assembly of Saskatchewan has power of appropriation flow, unless the Legislative Assembly directs otherwise. The Legislative Assembly has directed that certain revenue is to flow into other funds or to Crown entities such as Provincial Crown corporations, agencies, boards and commissions. The financial transactions relating to such other funds and Crown entities are reflected only to the extent that their operations were financed by or contributed to the Consolidated Fund. Their accumulated surpluses or deficits are not included.

Various special purpose and other funds are administered by the Minister of Finance. Included within these funds are superannuation funds over which the Minister provides general administrative support, trust monies held for third parties under various arrangements, and special purpose monies held for specified uses. The assets, liabilities, operations and residual balances of these are maintained and reported separately from those of the reporting entity.

1b. Basis of Accounting

The financial statements are prepared using a modified cash basis for a fiscal year commencing on April 1 and ending on March 31. Revenues are recorded as received and expenditures are charged to the accounts when payments are made. In addition, revenues received in the 30 days of April in respect of revenue raised up to March 31 of the preceding fiscal year are taken into revenue of the preceding fiscal year, and payments made during the 30 days of April which are for goods and services received in the preceding fiscal year are reported as expenditures of the preceding fiscal year.

1c. Classification of Financial Transactions

In accounting for the financial transactions a distinction is drawn between those transactions which affect the net debt and those which affect recorded assets and liabilities. The net debt is the difference between recorded liabilities and assets. Revenues and expenditures affect the net debt. Financing activities and transactions which arise

from the financing activities (lending and investing) affect recorded assets and liabilities. Accordingly, transactions are recorded within three categories: Revenue and Expenditure, Lending and Investing, and Financing Activities.

• Revenue and Expenditure

Revenue and expenditure relate to normal operating activities.

• Revenue

Revenue includes revenues raised through taxation, premiums, fees, licences and permits, receipts from the Federal government under fiscal arrangements and shared-cost programs, income from investments and dividends or transfers from other funds and gains on the sale of certain agricultural lands.

• Expenditure

Expenditure includes payments for goods and services, salaries, transfer payments to individuals, municipalities and institutions, subsidies and grants, interest on public debt, acquired fixed assets and lease payments to the Saskatchewan Property Management Corporation for accommodations, furnishings and equipment.

• Lending and Investing

These transactions result from lending and investing functions which include lending and investing in various Crown entities, other organizations and individuals, and the administration of funds held for certain Crown entities.

• Financing Activities

Financing activities are borrowing and repayment transactions and include borrowing on behalf of Crown entities.

• Assets and Liabilities

The majority of the assets and liabilities recorded in the statements are a result of the intermediary activity of borrowing on behalf of Crown entities. In general terms assets will consist of cash, short-term investments, and loans to or investments in Crown entities and other organizations and individuals.

The Saskatchewan Property Management Corporation is responsible for certain aspects of capital asset management including the acquisition, maintenance and disposal of accommodations, furnishings and equipment for the government.

Government of the Province of Saskatchewan Consolidated Fund

Notes to the Financial Statements

These assets are provided to government departments on a lease basis. Other capital assets are treated as expenditure in the year of purchase.

Liabilities consist of promissory notes, treasury bills and debentures to be repaid to outside parties and amounts that are due to provincially created Crown entities.

• Revolving Fund Transactions

Various revolving funds have been established to provide services to Government departments or the public. Each of these have statutory authority to make payments out of the Consolidated Fund for the provision of specified services.

Except for transactions relating to loans and advances, any net cash expenditure on behalf of a revolving fund is classified as an expenditure. Any net cash revenue is classified as a reduction in expenditures. Loans and advances are classified as lending and investment transactions, and any amounts outstanding are shown as an asset.

Where debentures are issued to obtain funds for making loans, the Crown entities are required to provide the funds to repay the debt. Where sinking fund requirements are attached to the underlying debt issue, Crown entities must reimburse the Consolidated Fund for payments made to the sinking fund. The Crown entities' equity in the sinking funds reduces the recorded value of loans.

Interest received from Crown entities is applied to offset the interest expense on debt issues.

1g. Other Loans

These loans are subject to a variety of interest rates and terms of repayment.

These loans are carried at cost and are revalued when it becomes evident that they are uncollectible. Any write-downs are charged directly to net debt.

Interest received from these loans is recorded as revenue.

1h. Other Investments

These investments are valued at cost and will be revalued when it becomes evident that there has been a permanent reduction in the value of the investment. Any write-down of an investment is charged to net debt.

1i. Public Debt

Public debt represents obligations arising from borrowing activities to finance operations or to finance loans to Crown entities. Public debt consists of promissory notes, treasury bills and debentures.

• Borrowing on Behalf of Crown Entities

Where debt is acquired for the purpose of funding loans to Crown entities, the funds required to repay the principal amount of the debt attributable to these entities are reimbursed by them. All debentures due in foreign currency will be repaid when due by these entities in requisite amounts.

Because this debt is reimbursable, interest received from the Crown entities is offset against the interest paid on the debt.

• Investment in Agricultural Land

Debt acquired for the purpose of financing the Investment in Agricultural Land is considered to be fully reimbursable from the proceeds from the sale of the Agricultural Lands to be received by the Saskatchewan Heritage Fund. The interest paid on the public debt which is considered to be fully reimbursable from the lease fee revenue on the lands, received in the Farm Purchase Program Fund, is offset against the interest paid on the debt. To the extent lease fees are insufficient for this purpose an appropriation of funds from the Saskatchewan Heritage Fund is made to cover the deficiency.

Specific Policies

1d. Cash

Cash recorded is the balance on hand in the Consolidated Fund at March 31, adjusted in accordance with the modified cash basis of accounting as described in Note 1b.

1e. Short-Term Loans to Crown Entities

These represent interest bearing loans made for a period of less than one year. Short-term loans are valued at cost.

Interest received from Crown entities on short-term loans is applied to offset the interest paid on the public debt.

1f. Loans to Crown Entities

These are loans made for a period of greater than one year to Crown corporations and the Saskatchewan Heritage Fund and generally have fixed terms of repayment.

Loans are valued at cost. Loans in foreign currency are converted to the Canadian dollar equivalent at the exchange rate in effect at March 31. In cases where the liabilities of a Crown entity significantly exceed the estimated realizable value of its assets and the accumulated deficit is not funded by an appropriation, the loan will be written down. All write-downs are charged directly to net debt.

Government of the Province of Saskatchewan Consolidated Fund

Notes to the Financial Statements

● Promissory Notes

Promissory notes are issued to cover temporary insufficiencies of the Consolidated Fund and for funding short-term loans to Crown entities.

Promissory notes are carried at the face value.

In the year of issue, discounts are charged to expenditure.

● Treasury Bills

Treasury bills are issued to cover temporary insufficiencies of the Consolidated Fund.

Treasury bills are carried at par.

In the year of issue, discounts are charged to expenditure.

● Debentures

Debentures are issued to finance operations and for funding long-term loans to Crown entities.

Debentures are carried at par. In the year in which debentures are issued, discounts and premiums are charged to expenditure. Where borrowing is made to finance loans to Crown entities, all expenses including discounts are charged directly to the Crown entities and premiums are paid to the Crown entities.

Many public debentures issued require payments into a sinking fund.

● Sinking Funds

The Consolidated Fund assumes direct responsibility for all payments to sinking funds, however the Consolidated Fund is reimbursed by Crown entities for all sinking fund payments made on debt incurred on their behalf.

The sinking funds invest in Province of Saskatchewan debentures, other provincial government or provincial government guaranteed securities, federal government or federal government guaranteed securities, or high grade Canadian municipal securities until such time as the monies are required for retirement of debt. The sinking funds are subject to noncash calculations regarding earnings in accordance with the following accounting policies:

- Interest income is recorded on an accrual basis.
- Premium/discount on long-term investments is amortized by type of security to maintain a constant yield over the life of the investment.
- Gains/losses on the sale of long-term investments are recognized in the period the sale was transacted.

Earnings of the sinking funds are retained within the sinking funds and, accordingly, are not recorded as revenue but are credited directly to net debt.

1j. Amounts Payable to Crown Entities

These represent amounts held on deposit in the Consolidated Fund on behalf of certain Crown entities at no interest.

1k. Conditional Receipts

Funds are received for which the ultimate disposition is not immediately known or which is subject to some future action beyond the control of the payor. These funds are deposited to the credit of a liability account entitled "Conditional Receipts".

1l. Interest on Public Debt

Interest on public debt includes premiums, discounts and interest paid on promissory notes, treasury bills and debentures and recognized foreign exchange gains and losses but does not include interest on public debt borrowed on behalf of Crown entities (notes 1e, 1f). Total interest expense is \$1,029,078,000 of which \$709,067,000 is reimbursable from the other Crown entities resulting in a net charge to the Consolidated Fund of \$320,011,000.

1m. Foreign Currency

Public debt due in foreign currency has been converted to the Canadian dollar equivalent at the exchange rate in effect at March 31. Unrealized gains and losses are amortized to interest on public debt on a straight line basis over the remaining life of the debt issue.

Realized gains and losses resulting from transactions or settlements are included in interest on public debt in the current year.

2. Additional Information

2a. Contingencies

● Guaranteed Debt

The Minister of Finance has explicitly guaranteed the repayment of the principal and interest of certain bonds, debentures and loans of various organizations including Crown entities. The total principal portion of all guaranteed debt at March 31 was \$1,084,811,000 (\$885,042,000 at March 31, 1988).

The guaranteed debt is not a recorded liability. If events occur which require the Government to assume the repayment of the debt, the payment is recorded as an expenditure of the Consolidated Fund. At March 31, there were no organizations in receivership whose debt had been guaranteed.

● Litigation Matters

There are a number of outstanding litigation matters against the Government of Saskatchewan. The outcomes of these are uncertain and the likely loss, if any, cannot be determined. Any loss resulting from litigation matters will be paid out of the Consolidated Fund. These claims are:

Government of the Province of Saskatchewan

Consolidated Fund

Notes to the Financial Statements

- A claim by the Canadian National Railway against the Government of Saskatchewan. Approximately \$13 million is claimed by way of recovery of E & H Tax collected with respect to railroad rolling stock and repair bills which the plaintiff now alleges are not incorporated in the Act.
- A claim filed by the Consumers Co-operative Refineries Limited against the Province of Saskatchewan. The claim is for \$23,000,000 and relates to an Oil and Gas Incentive Grant dispute.
- A claim filed by Chief Myles Venne on behalf of the members of the Lac La Ronge, James Roberts and Amos Charles Indian Bands against the Government of Canada and Government of Saskatchewan. The claim is for approximately 250,000 acres of land in Saskatchewan based on entitlement under Treaty No. 6.
- The Province has been named in a claim filed by the Federation of Saskatchewan Indians on behalf of the Starblanket and Canoe Lake Bands. The claim is for approximately 50,000 acres of land in Saskatchewan.
- The Government is also named as defendant in various other legal actions, in excess of \$500,000 totalling approximately \$6.0 million.

• Crop Reinsurance Fund of Saskatchewan

The Consolidated Fund is liable for funding any deficiency arising in the Crop Reinsurance Fund of Saskatchewan. As at March 31, 1989, the Crop Reinsurance Fund of Saskatchewan had a \$128.8 million deficit as a result of crop insurance claims in excess of the accumulated surplus of the Saskatchewan Crop Insurance Corporation — Insurance Operation and the Crop Reinsurance Fund of Saskatchewan. The likelihood of payment to the Crop Reinsurance Fund of Saskatchewan is dependent upon the future level of claims in relation to premiums and therefore is not determinable at this time.

2b. Saskatchewan Heritage Fund Dividends

The Consolidated Fund receives fund dividends from the Saskatchewan Heritage Fund as made available by an annual appropriation in the Saskatchewan Heritage Fund. Payments are made upon the direction of the Minister of Finance.

2c. Saskatchewan Liquor Board Profits

The Consolidated Fund receives a portion of the profits of the Saskatchewan Liquor Board as determined from time to time by Treasury Board.

2d. Overcommitments

The financial statements are prepared using a modified cash basis of accounting. Under this method, accounts receivable or payable are not recorded. However, there is a legislative requirement that no liability shall be incurred which exceeds the unencumbered balance of an appropriation.

Two departments overcommitted their appropriations by a total of \$415,934 at March 31, 1989:

Economic Development and Trade	\$ 394,459
Parks, Recreation and Culture	21,475
	<u>\$ 415,934</u>

The overcommitted figure reflects the amount by which expenditures plus accounts payable exceed the estimates adjusted for special warrants and virements. Accounts payable are defined to be debts for goods or services received by a department prior to March 31 and which remain unpaid at April 30.

2e. Superannuation

For certain pension plans part of the benefits and/or any deficiency arising when the benefits exceed the assets available in the plans are payable out of the Consolidated Fund.

The following is a brief description of these plans:

• Public Service Superannuation Plan

This is an unfunded plan. All employee contributions are recorded as revenue of the Consolidated Fund, and all payments required are recorded as expenditures of the Consolidated Fund.

• Public Employees (Government Contributory) Superannuation Fund

This is a funded plan, with employee contributions being matched by the applicable employer. The employer's contribution is recorded as an expenditure of the Consolidated Fund. Since benefits are based on accumulated contributions to the fund, no unfunded liability accrues.

• Public Employees (Government Contributory) Annuity Fund

In 1985-86 The Superannuation (Supplementary Provisions) Act was amended creating the Public Employees (Government Contributory) Annuity Fund. The related assets and accumulated balances of members who have chosen this annuity option were transferred to the annuity fund from the Public Employees (Government Contributory) Superannuation Plan and all annuities are paid out of the Fund. Upon retirement, an employee is entitled to receive a guaranteed life annuity provided by the amount standing to his credit in the Fund at the time.

Government of the Province of Saskatchewan Consolidated Fund

Notes to the Financial Statements

• Teachers' Superannuation Fund

Teacher contributions are paid into a separate fund, with allowances and benefits being made from the fund. Teacher contributions on and after July 1, 1980 with matching contributions from the Consolidated Fund are also paid into the Fund. Any deficiency arising when retirement benefits and allowances exceed the assets available in the Fund is payable from the Consolidated Fund.

• Teachers' Annuity Fund

This is a funded plan for teachers who had never taught in the provincial school system prior to July 1, 1980 and enter the school system after that date. Teacher contributions are matched by payments from the Consolidated Fund. Contributions are paid into a separate fund, with allowances and refunds being made from the fund based upon the contribution made and investment earnings allocated. Since benefits are based on accumulated contributions to the fund, no unfunded liability accrues.

• Teachers' Supplementary Allowances Fund

This fund was created in conjunction with the Teachers' Annuity Fund. A designated portion of contributions made by teachers into the Annuity Fund is paid into the Teachers' Supplementary Allowances Fund for the purpose of increasing allowances for cost of living and to pay survivor benefits to dependents of teachers. Teacher contributions are matched by payments from the Consolidated Fund. Since benefits are based on accumulated contributions to the fund, no unfunded liability accrues.

• Members of the Legislative Assembly Superannuation Fund

This is a funded plan, with member contributions being matched by the Consolidated Fund, which also pays an annual amount and any other amounts that may be appropriated. Contributions are paid into a separate fund, with allowances and refunds being made from the fund. Any deficiency arising when the benefits exceed the assets available in the fund is payable from the Consolidated Fund.

• Judges of the Provincial Court Superannuation Fund

Employee contributions are paid into a separate fund with allowances, refunds, and transfers paid out of the fund. Any deficiency arising when the benefits exceed the assets available in the fund is payable from the Consolidated Fund.

Annuities and allowances made under The Magistrates Court Act (repealed) are also paid out of the Judges of the Provincial Court Superannuation Fund. Employees do not make contributions. The Consolidated Fund reimburses the Judges of the Provincial Court Superannuation Fund for all payments to superannuates.

• Anti-Tuberculosis League Employees Superannuation Fund

Employee contributions are matched by The Saskatchewan Anti-Tuberculosis League. Contributions are paid into a separate fund with allowances, refunds, and transfers paid out of the fund. Any deficiency arising when the benefits exceed the assets available in the fund is payable from the Consolidated Fund.

• Saskatchewan Transportation Company Employees Superannuation Fund

Employee contributions are matched by the Saskatchewan Transportation Company. Contributions are paid into a separate fund with allowances, refunds, and transfers paid out of the fund. Any deficiency arising when benefits exceed the assets available in the fund is payable from the Consolidated Fund.

• Saskatchewan Pension Plan

In 1986-87, the Saskatchewan Pension Plan was created. The plan is voluntary and open to all residents of the Province of Saskatchewan who are between the ages of 18 and 65. Contributions of members are matched by payments from the Consolidated Fund on the basis of an income related formula to a maximum of \$300 annually.

Benefits are based on accumulated contributions to the fund and, accordingly, there is no residual obligation except for any amounts required to supplement the fund for the guaranteed minimum pension. The minimum pension is limited to \$15 per month for each year of contribution to the plan.

Government of the Province of Saskatchewan Consolidated Fund

Notes to the Financial Statements

The following is a summary of the unfunded liability in respect of these pension plans as indicated in the most recent actuarial reports:

	Date of Report	Liability As At	(In Thousands of Dollars)
			Unfunded Liability
Public Service Superannuation Plan	Nov./86	Mar./86	\$ 646,615
Public Employees (Government Contributory) Superannuation Plan			N/A
Public Employees (Government Contributory) Annuity Fund	Sept./89	Mar./89	508
Teachers' Superannuation Fund	Nov./86	June/86	1,279,000
Teachers' Annuity Fund			N/A
Teachers' Supplementary Allowances Fund			N/A
Members of the Legislative Assembly Superannuation Fund	Jan./87	Mar./86	15,696
Judges of the Provincial Court Superannuation Fund	Jan./83	Jan./83	6,330
Anti-Tuberculosis League Employees Superannuation Fund	Jan./85	Mar./84	1,238
Saskatchewan Transportation Company Employees Superannuation Fund	Jan./85	Mar./84	3,816
Saskatchewan Pension Plan — Basic Pension Liability — Minimum Pension Supplement	Mar./89	Dec./87	3
		Dec./87	1,460
			\$1,954,666

2f. Legal Defeasance

During 1986-87, \$89.3 million, due December 30, 2004, bearing an interest rate of 9 5/8% per annum was advanced to Saskatchewan Power Corporation. Saskatchewan Power Corporation completed a legal defeasance of this Advance by placing a promissory note receivable with identical terms to the Advance into an irrevocable trust to be used solely for satisfying the principal and interest payments on the Advance. The promissory note is receivable from an unrelated third party and is guaranteed by the Government of Saskatchewan under a previous agreement. Although the promissory note has been accepted as full and final satisfaction of the Advance, the promissory note remains in the irrevocable trust. Accordingly, these financial statements will continue to reflect a receivable from the Saskatchewan Power Corporation Trust until such time as all claims against the Trust are extinguished. This receivable is included in loans to Saskatchewan Power Corporation as detailed on Schedule 3 — Loans to Crown Entities.

2g. Saskatchewan Property Management Corporation

The Saskatchewan Property Management Corporation is responsible for certain aspects of capital asset management including acquisition, maintenance and disposal of accommodations, furnishings and equipment for the government. During 1988/89 the Consolidated Fund paid approximately \$122,037,000 (\$134,488,000 in 1987/88) to the Saskatchewan Property Management Corporation for goods and services received.

**Government of the Province of Saskatchewan
Consolidated Fund**

Schedule 1

Cash

March 31, 1989

(In Thousands of Dollars)

	1989	1988
Cash (overdraft)	\$ (1,179)	\$ (56,460)
	\$ (1,179)	\$ (56,460)

**Government of the Province of Saskatchewan
Consolidated Fund**

Schedule 2

Short-Term Loans to Crown Entities

March 31, 1989

(In Thousands of Dollars)

	1989	1988
Agricultural Development Corporation	\$ 3,200	\$ 2,000
Crown Investments Corporation of Saskatchewan	109,297	304,406
Municipal Financing Corporation of Saskatchewan	45,900	28,200
Saskatchewan Economic Development Corporation	41,076	48,664
Saskatchewan Government Printing Company	2,100	2,100
Saskatchewan Mining and Development Corporation	—	6,000
Saskatchewan Power Corporation	39,000	—
Saskatchewan Water Corporation	44,300	10,800
	\$284,873	\$402,170

Government of the Province of Saskatchewan

Consolidated Fund

Schedule 3

Loans to Crown Entities

March 31, 1989

(In Thousands of Dollars)

	Principal Amount Outstanding	Equity in Sinking Funds	1989 Ending Balance	1988 Ending Balance
Agricultural Credit Corporation of Saskatchewan	\$ 772,343	\$ —	\$ 772,343	\$1,040,743
Crown Investments Corporation of Saskatchewan	1,507,890	—	1,507,890	1,129,113
Municipal Financing Corporation of Saskatchewan	54,724	—	54,724	54,724
Saskatchewan Economic Development Corporation	61,566	—	61,566	57,647
Saskatchewan Heritage Fund	184,436	—	184,436	184,436
Saskatchewan Housing Corporation	317,304	—	317,304	317,304
Saskatchewan Mining Development Corporation	—	—	—	364,060
Saskatchewan Power Corporation	2,216,457	287,253	1,929,204	1,982,696
Saskatchewan Property Management Corporation	385,136	—	385,136	340,836
Saskatchewan Telecommunications	756,274	131,123	625,151	631,368
Saskatchewan Water Corporation	2,037	963	1,074	1,307
	6,258,167	419,339	5,838,828	6,104,234
Less: Provision for Loss	63,979		63,979	63,979
	\$6,194,188	\$ 419,339	\$5,774,849	\$6,040,255

Government of the Province of Saskatchewan

Consolidated Fund

Schedule 4

Other Loans

March 31, 1989

(In Thousands of Dollars)

	1989	1988
Agriculture		
South Saskatchewan River Irrigation Projects		
Acquisition and Improvements of Lands for Resale	\$ 84	\$ 349
Loans to Farm Operators for Land Improvement	39	48
Economic Development and Tourism		
Economic Development Loans	9,288	9,033
Less: Provision for Doubtful Accounts	<u>1,607</u>	<u>1,386</u>
Hudson Bay Dehydrators Mutual Limited	57	57
Education		
School Loans	50	102
Student Loan Program	78,480	45,233
Finance		
Receiver-General for Canada		
(Postage Deposit)	250	250
Treasury Advances	694	476
University of Saskatchewan	2,226	2,234
Less: Equity in Sinking Fund	<u>1,077</u>	<u>939</u>
Health		
University Hospital Board	557	634
Urban Affairs		
Agricultural Service Centres Agreement		
— Shareable	3,765	4,080
Employment Loans Program		
— Federal-Provincial	514	597
Loans to Industrial Towns	50	100
Loans to Municipalities Pursuant to		
Downtown Development Agreements	6,913	6,288
Loans to Municipalities — Municipal		
Development and Loan (Saskatchewan) Act	550	678
Winter Works Employment Program		
— Federal-Provincial	2,691	3,200
— Provincial	594	701
Urban Loan Assistance Program	121	126
Saskatchewan Crop Insurance Corporation*		
Loans to cover crop insurance claims		
pursuant to an agreement between		
Federal and Provincial governments	426,782	79,235
Saskatchewan Agricultural Returns		
Stabilization Fund		
Loans	122,681	82,773
Less: Provision for Loss	<u>122,681</u>	<u>82,773</u>
	\$531,021	\$151,096

*For more information refer to note 2a regarding the Crop Reinsurance Fund of Saskatchewan.

Government of the Province of Saskatchewan Consolidated Fund

Schedule 5

Other Investments

March 31, 1989

(In Thousands of Dollars)

	1989	1988
Investments in Co-operatives:		
Hudson Bay Dehydrators Mutual Limited	\$ 4	\$ 4
Paradise Hill Seed Cleaning Co-operative Limited	10	10
	\$ 14	\$ 14

Government of the Province of Saskatchewan Consolidated Fund

Schedule 6

Promissory Notes

March 31, 1989

(In Thousands of Dollars)

Maturity	1989	1988
1988-89	\$ —	\$ 1,199,380
1989-90	1,508,650	—
	\$ 1,508,650	\$ 1,199,380

Issued for the purpose of:	1989	1988
Consolidated Fund	\$ 994,541	\$ 243,874
Crown Entities	514,109	955,506
	\$ 1,508,650	\$ 1,199,380

Note: For more detailed information, refer to Part B of this Volume.

The following table sets forth the debt characteristics at March 31:

	(In Thousands of Dollars)				
	1989		1988		
	Amount Outstanding	Weighted Average Years to Maturity (years)	Weighted Average Interest Rate (per cent.)	Amount Outstanding	Weighted Average Interest Rate (per cent.)
Promissory Notes	\$ 1,508,650	0.10	11.581	\$ 1,199,380	8.711

**Government of the Province of Saskatchewan
Consolidated Fund**

Schedule 7

Treasury Bills

March 31, 1989

(In Thousands of Dollars)

Maturity	1989	1988
1988-89	\$ —	\$650,000
1989-90	650,000	—
	\$650,000	\$650,000

Issued for the purpose of:	1989	1988
Consolidated Fund	\$650,000	\$650,000
	\$650,000	\$650,000

Note: For more detailed information, refer to Part B of this Volume.

The following table sets forth the debt characteristics at March 31:

	(In Thousands of Dollars)			
	1989			1988
	Amount Outstanding	Weighted Average Years to Maturity	Weighted Average Interest Rate	Amount Outstanding
		(years)	(per cent.)	
Treasury Bills	\$650,000	0.13	11.610	\$650,000
				8.487

Government of the Province of Saskatchewan

Consolidated Fund

Schedule 8

Debentures

March 31, 1989

(In Thousands of Dollars)

Year of Maturity	Canadian Dollar Debt	Foreign Debt (Can. Dollars)	Total (Canadian Dollars)	1989	1988
					Total (Canadian Dollars)
1988-89	\$ —	\$ —	\$ —	\$ —	\$ 540,142
(a) 1989-90	703,551	—	703,551		696,294
(b) 1990-91	806,954	10,560	817,514		802,663
(c) 1991-92	1,032,595	178,980	1,211,575		1,063,137
(d) 1992-93	571,508	174,747	746,255		747,351
(e) 1993-94	737,975	—	737,975		—
1-5 years	3,852,583	364,287	4,216,870		3,849,587
(f) 6-10 years	1,811,028	—	1,811,028		1,886,078
11-15 years	1,376,996	—	1,376,996		1,298,830
16-20 years	783,334	423,100	1,206,434		1,182,068
21-25 years	889	—	889		154,263
26-30 years	—	—	—		2,259
	\$ 7,824,830	\$ 787,387	\$ 8,612,217		\$ 8,373,085

The debentures in U.S. dollars have been converted to Canadian Dollars at the exchange rate in effect at March 31, 1989 (1.1932) and March 31, 1988 (1.2341).

Note: (a) Includes \$125,842,000, Canadian, maturing November 15, 1989. A portion of the original issue of \$40,000,000, 11 7/8% U.S. dollar debentures converted by forward contract to \$53,200,000, Canadian with an effective interest rate of 12.31%. The remaining \$60,000,000, 11 7/8% U.S. dollar debentures converted by forward contract to \$72,642,000 Canadian with an effective interest rate of 11 7/8%. Includes \$162,884,996 Canadian, maturing March 15, 1990. The original issue of \$125,000,000, 10 1/4% U.S. dollar debentures converted by forward contract to \$162,884,996 Canadian, with an effective interest rate of 7.57%. Includes \$56,027,073, Canadian, maturing March 28, 1990. The original issue of 10,000,000,000, 7.4% Yen debentures, with semi-annual interest payments converted by forward contract to \$56,027,073, Canadian, with annual interest payments and an effective interest rate of 9.53%.

(b) Includes \$73,637,703, Canadian, maturing November 27, 1990. The original issue of 15,000,000,000 Yen converted by forward contract to \$73,637,703, Canadian. Includes \$200,324,744, Canadian, maturing March 5, 1991. The original issue of \$150,000,000, 8 1/2% U.S. dollar debentures converted by forward contract to \$200,324,744, Canadian, with an effective interest rate of 6.50%.

(c) Includes \$113,927,728, Canadian, maturing April 9, 1991. The original issue of 15,000,000,000, 7 1/2% Yen converted by forward contract to \$113,927,728, Canadian. Includes \$63,528,000, Canadian, maturing July 21, 1991. The original issue of \$50,000,000, 9% U.S. dollar debentures converted by forward contract to \$63,528,000, Canadian with an effective interest rate of 7.71%. Includes \$166,556,500, Canadian, maturing July 24, 1991. The original issue of 125,000,000, 7 1/2% U.S. dollar debenture converted by forward contract to \$166,556,500, Canadian with an effective interest rate of 6.34%. Includes \$59,600,000, Canadian, maturing October 1, 1991. The original issue of 50,000,000, 16 3/8% U.S. dollar debentures converted by forward contract to \$59,600,000, Canadian, with an effective interest rate of 8.92%. Includes \$133,550,000, Canadian, maturing March 1, 1992. The original issue of \$100,000,000 10 1/4% U.S. dollar debentures converted by forward contract to \$133,550,000, Canadian, with an effective interest rate of 11.26%.

(d) Includes \$46,452,384, U.S., maturing June 30, 1992. The original issue of 100,000,000, 6 1/4% Swiss franc debentures converted by forward contract to \$46,452,384, U.S., with an effective interest rate of 15 5/8%. Includes \$61,629,173, Canadian, maturing July 25, 1992. The original issue of 15,000,000,000 Yen converted by forward contract to \$61,629,173, Canadian. Includes \$66,560,000, Canadian, maturing August 15, 1992. The original issue of 50,000,000, 15% U.S. dollar debentures converted by forward contract to \$66,560,000 Canadian, with an effective interest rate of 13.58%.

(e) Includes \$81,806,282, Canadian, maturing May 29, 1993. The original issue of 10,000,000,000 6.4% Yen converted by forward contract to \$81,806,282, Canadian, with an effective interest rate of 8.653%. Includes \$50,000,000, Canadian, maturing November 10, 1993. The original issue of 5,276,485,000 5.70% Yen converted by forward contract to \$50,000,000, Canadian, with an effective interest rate of 10.05%.

(f) Includes \$45,799,385, Canadian, maturing April 8, 1997. The original 5,000,000,000 5 1/2% Yen converted by forward contract to \$45,799,385, Canadian, with an effective interest rate of 10.906%. Includes \$75,175,979, Canadian, maturing November 27, 1997. The original issue of 100,000,000 5 1/4% Swiss francs converted by forward contract to \$75,175,979, Canadian, with an effective interest rate of 9.583%. Includes \$111,692,874, Canadian, maturing February 17, 1998. The original issue of 150,000,000 4 3/4% Swiss francs converted by forward contract to \$111,692,874 Canadian, with an effective interest rate of 8.014%.

Government of the Province of Saskatchewan

Consolidated Fund

Schedule 8

(g) Debentures include \$2,221,045, maturing December 1, 2015, payable in blended semi-annual payments of principal and interest totalling \$76,399. Prepayable in whole or in part any time prior to December 1, 2015, without penalty. The semi-annual principal repayments are included in the total debentures maturing each year.

(h) Debentures include \$1,577,117,000 (\$1,519,093,000 – March 31, 1988) of Canadian Pension Plan debentures which are subject to redemption on six months notice.

The debentures were issued for the purpose of and are reimbursable from the following sources:

	(In Thousands of Dollars)	
	1989	1988
Agricultural Credit Corporation of Saskatchewan	\$ 728,243	\$ 728,243
Crown Investments Corporation of Saskatchewan	1,507,890	1,129,113
Municipal Financing Corporation of Saskatchewan	54,724	54,724
Saskatchewan Economic Development Corporation	61,566	57,647
Saskatchewan Heritage Fund: Investment in Agricultural Land	184,436	184,436
Saskatchewan Housing Corporation	317,304	317,304
Saskatchewan Mining Development Corporation	—	364,060
Saskatchewan Power Corporation	2,216,457	2,296,159
Saskatchewan Property Management Corporation	200,000	100,000
Saskatchewan Telecommunications	756,273	758,716
Saskatchewan Water Corporation	2,037	5,037
University of Saskatchewan	2,226	2,234
	6,031,156	5,997,673
Consolidated Fund – Operations	2,581,061	2,375,412
	\$8,612,217	\$8,373,085

Note: For more detailed information, refer to Part B of this Volume. The following table sets forth the debt characteristics at March 31:

(In Thousands of Dollars)						
			1989	1988		
	Amount Outstanding	As a Percentage of Total	Weighted Average Years to Maturity	Weighted Average Interest Rate	Amount Outstanding	Weighted Average Interest Rate
Public Debentures	\$7,028,866	81.6	6.30	10.174	\$6,847,209	10.108
C.P.P. Debentures	1,577,117	18.3	11.69	10.730	1,519,093	10.675
Other Debentures	6,234	0.1	—	0.000	6,783	0.00
	\$8,612,217	100.0			\$8,373,085	

Government of the Province of Saskatchewan Consolidated Fund

Schedule 9

Summary of Sinking Funds

March 31, 1989

(In Thousands of Dollars)

	Consolidated Fund Share	Crown Entities' Share	Other Enterprises' Share	1989	1988
Balance, Beginning of Year	\$ 9,073	\$444,541	\$ 938	\$454,552	\$428,110
Contributions Made During the Year	120	18,305	35	18,460	19,260
Earnings in the Year	1,001	45,501	104	46,606	47,671
	10,194	508,347	1,077	519,618	495,041
Deduct: Funds Applied on Redemption	—	89,008	—	89,008	40,489
Balance, End of Year	\$ 10,194	\$419,339	\$ 1,077	\$430,610	\$454,552

Government of the Province of Saskatchewan Consolidated Fund

Schedule 10

Amounts Payable to Crown Entities

March 31, 1989

(In Thousands of Dollars)

	1989	1988
Environmental Protection Fund	\$ 3,583	\$ —
Future Corporation	1,084	—
Saskatchewan Heritage Fund	502,335	541,747
Saskatchewan Hospital Services Fund	—	6,310
Saskatchewan Liquor Board	144,900	213,800
Special Projects Fund	—	95
The Market Development Fund	164	187
	\$652,066	\$762,139

Government of the Province of Saskatchewan

Consolidated Fund

Schedule 11

Guaranteed Debt

March 31, 1989

(In Thousands of Dollars)

	1989	1988
Crown Corporations		
The Municipal Financing Corporation Act		
Guaranteed Debentures	\$ 50,500	\$ 54,000
Potash Corporation of Saskatchewan		
Royal Trust, London Life Lease	31,426	33,047
T.D., Mutual Life, London Life Lease	40,656	42,374
Royal Trust Lease	26,984	28,031
The Power Corporation Act		
I.A.C. Limited — Dragline Lease	27,017	27,744
Manalta Coal**	41,986	42,726
Marubeni Corporation	4,600	6,901
Saskatchewan Power Savings Bonds		
Series I	71	957
Series II	452	77,843
Series III	19,002	66,436
Series IV	21,919	99,530
Series V	95,388	—
Series V-E	123,789	—
The Saskatchewan Development Fund Act		
Guaranteed Investments	3,684	2,817
The Saskatchewan Mining Development Corporation Act		
Letter of Credit (U.S. Funds — maximum \$14,500,000 U.S.)	—	4,690
Her Majesty in the Right of Canada	—	19,947
The Saskatchewan Telecommunications Act		
Credit Telebonds	36,833	—
Interest Telebonds	69,526	—
	593,833	507,043
Other		
The Saskatchewan Oil and Gas Corporation Act		
Saskatchewan Oil Bonds	15,000	15,000
The Agricultural Incentives Act		
Agricultural Credit Corporation of Saskatchewan Operating Loans	342	312
The Agricultural Societies Act		
Loans to Exhibition Associations	590	727
The Co-operatives Guarantee Act		
Saskatchewan Co-op Credit Society — Loans to Co-operatives	778	796
The Family Farm Credit Act		
Co-op Trust Company	—	141
The Farmer's Counselling and Assistance Act	48,984	45,775
The Feeder Associations Loan Guarantee Act	13,381	8,631
The Government Organizations Act	718	204
The Housing and Special Care Homes Act		
Senior Citizens Housing	1,203	1,337
The Department of Tourism and Small Business Act		
Loans to Small Business	1,235	1,077
The NewGrade Energy Inc. Act		
NewGrade Energy Inc.	325,347	233,302
The Pulp and Paper Mills Act		
Weyerhaeuser Canada Ltd.	83,400	70,697
	490,978	377,999
	\$1,084,811	\$885,042

** The amount is net of \$3,014,365 which is Manalta's equity in the Sinking Fund administered by the Minister of Finance. (\$2,274,377 — 1988)

NOTE: In addition to the amount shown, there is a contingent liability for interest accrued on these items.

Government of the Province of Saskatchewan

Consolidated Fund

Schedule 12

Summary of Public Debt Transactions

March 31, 1989

(In Thousands of Dollars)

	Balance, Beginning of Year		Sold	Redeemed	*Swap Gain	**Exchange Gain	Balance, End of Year
Debentures	\$ 8,373,085	\$ 843,932	\$ 565,062	\$ 12,748	\$ 26,990	\$ 8,612,217	
Treasury Bills	650,000	2,600,000	2,600,000	—	—	650,000	
Promissory Notes	1,199,380	8,182,409	7,873,139	—	—	1,508,650	
	\$ 10,222,465	\$ 11,626,341	\$ 11,038,201	\$ 12,748	\$ 26,990	\$ 10,770,867	

*Reflects the gain resulting from converting Foreign debt to \$ Canadian debt during the year.

**Reflects the difference in conversion values at March 31, 1988 and March 31, 1989, resulting from converting \$ U.S. debt into \$ Canadian.

Auditor's Report

To the Members of the Legislative Assembly
of Saskatchewan

I have examined the statement of financial position of the Saskatchewan Heritage Fund as at March 31, 1989 and the statements of equity, revenue and expenditure, loan, investment and deposit activity, changes in financial position and cumulative provincial development expenditure for the year then ended. My examination was made in accordance with generally accepted auditing standards, and accordingly included such tests and other procedures as I considered necessary in the circumstances.

In my opinion, these financial statements present fairly the financial position of the Saskatchewan Heritage Fund as at March 31, 1989 and the results of its operations and the changes in its financial position for the year then ended in accordance with the accounting principles disclosed in Note 1 to the financial statements applied on a basis consistent with that of the preceding year.

Regina, Saskatchewan,
October 26, 1989.



G. F. Wendel, C.A.,
A/Provincial Auditor.

Saskatchewan Heritage Fund

Statement of Financial Position

March 31, 1989

(In Thousands of Dollars)

	1989			1988		
	Resources Division	Energy Security Division	Environmental Protection Division	Agricultural Division	Research and Development Division	Total
ASSETS						
Schedule						
1 Cash and Short-Term Investments <i>(Note 1d)</i>	\$ —	\$ 773	\$ 8,564	\$ —	\$ 1,635	\$ 10,972
2 Short-Term Loans to Crown Entities <i>(Note 1e)</i>	—	50,600	—	—	47,100	97,700
Amount Receivable from the Consolidated Fund <i>(Note 1f)</i>	489,116	(38,724)	—	38,012	13,930	502,334
3 Loans to Crown Entities <i>(Note 1g)</i> Loans and Sales Agreements <i>(Note 1h)</i>	39,550	2,163	—	—	—	41,713
4 Investments in Crown Entities <i>(Note 1i)</i>	777,287	129,757	—	5,126	—	5,348
Investment in Agricultural Land and Related Assets <i>(Note 1j)</i>	—	—	—	—	—	824,812
5 Other Investments <i>(Note 1k)</i>	—	—	—	141,298	—	141,298
Total Assets	\$1,305,953	\$ 144,569	\$ 8,564	\$ 184,436	\$ 65,587	\$1,709,109
LIABILITIES AND EQUITY						
Loan from the Consolidated Fund <i>(Note 1l)</i>	\$ —	\$ —	\$ 184,436	\$ —	\$ 184,436	\$ 184,436
Equity <i>(Note 2a)</i>	1,305,953	144,569	8,564	—	65,587	1,524,673
Total Liabilities and Equity	\$1,305,953	\$ 144,569	\$ 8,564	\$ 184,436	\$ 65,587	\$1,709,109

(See Accompanying Notes)

Saskatchewan Heritage Fund

Statement of Equity

For the Year Ended March 31, 1989

	(In Thousands of Dollars)					1989	1988
	Resources Division	Energy Security Division	Environmental Protection Division	Agricultural Division	Research and Development Division	Total	Total
Unallocated Equity, Beginning of Year	\$ 1,278,045	\$ 93,686	\$ —	\$ —	\$ 60,463	\$ 1,432,194	\$ 1,357,207
Excess of Revenue Over Expenditure							
Net of Inter-divisional Transfers	29,741	4,474	797	2,021	5,124	42,157	82,772
Loss on Sale of Land	—	—	—	(1,999)	—	(1,999)	(1,582)
Write-down – Loans to Crown Entities	(1,833)	(215)	—	—	—	—	(2,048)
Write-off of Other Loans	—	—	—	(22)	—	(22)	(1,833)
Transfer to Reserves	—	(4,749)	(797)	—	—	(5,546)	—
Unallocated Equity, End of Year	1,305,953	93,196	—	—	65,587	1,464,736	1,432,193
Reserves, Beginning of Year	—	46,624	7,767	—	—	54,391	50,021
Transfers to Reserves	—	4,749	797	—	—	5,546	4,371
Reserves, End of Year	—	51,373	8,564	—	—	59,937	54,392
Total Equity, End of Year	\$ 1,305,953	\$ 144,569	\$ 8,564	\$ —	\$ 65,587	\$ 1,524,673	\$ 1,486,585

(See Accompanying Notes)

Saskatchewan Heritage Fund

Statement of Revenue and Expenditure

For the Year Ended March 31, 1989

(In Thousands of Dollars)

		1989	1988				
Revenue	Resources Division	Energy Security Division	Environmental Protection Division	Agricultural Division	Research and Development Division	Total	Total
Non-Renewable Resource Revenue							
Coal	\$ 14,853	\$ —	\$ —	\$ —	\$ —	\$ 14,853	\$ 18,439
Natural Gas	36,337	—	—	—	—	36,337	22,178
Oil	187,862	—	—	—	—	187,862	347,261
Potash	96,080	—	—	—	—	96,080	48,899
Uranium	17,517	—	—	—	—	17,517	19,718
Other	2,886	—	—	—	—	2,886	1,999
Total	355,535	—	—	—	—	355,535	458,494
Agricultural Lands Revenue							
Land Sales	—	—	—	6,713	—	6,713	7,758
Lease Revenue	—	—	—	11,586	—	11,586	11,681
Interest and Other	—	—	—	1,208	—	1,208	1,242
Total	—	—	—	19,507	—	19,507	20,681
Investment Revenue							
Other Revenues							
Total Revenue Before Inter-Divisional Transfers	355,535	4,749	797	202	5,124	10,872	15,771
Inter-divisional Transfers	(22,889)	—	—	—	—	—	32
Total Revenue, After Inter-Divisional Transfers	\$332,646	\$ 4,749	\$ 797	\$ 42,598	\$ 5,124	\$385,914	\$494,978

(See Accompanying Notes)

(See Accompanying Notes)

Saskatchewan Heritage Fund

Statement of Loan, Investment and Deposit Activity

For the Year Ended March 31, 1989

(In Thousands of Dollars)

	1989			1988		
	Resources Division	Energy Security Division	Environmental Protection Division	Agricultural Division	Research and Development Division	Total
Receipts						
Loans						
Potash Corporation of Saskatchewan	\$ 70	\$ 70	\$ 70	\$ 70	\$ 70	\$ 5,000
Saskatchewan Power Corporation	—	—	—	720	—	—
Loans and Sales Agreements	—	—	—	—	720	834
Newgrade Energy Inc.	—	—	—	—	—	60,678
Investments						
Potash Corporation of Saskatchewan	418,554	—	—	—	—	—
Saskatchewan Mining Development Corporation	218,700	—	—	—	—	—
Agricultural Land and Related Assets:						
Recovery of Investment	—	—	—	6,874	—	6,874
NewGrade Energy Inc.	—	—	—	—	—	—
Other	—	—	—	—	2,044	2,044
Total Receipts	637,254	70	—	7,594	2,044	646,962
Disbursements						
Investments						
Agricultural Land and Related Assets	—	—	—	745	—	745
Crown Investments Corporation of Saskatchewan	667,311	52,174	—	—	—	944
Total Disbursements	667,311	52,174	—	745	—	719,485
Excess of Receipts Over Disbursements	\$ (30,057)	\$ (52,104)	—	\$ 6,849	\$ 2,044	\$ (73,268)
(See Accompanying Notes)						

Saskatchewan Heritage Fund

Statement of Changes in Financial Position

For the Year Ended March 31, 1989

(In Thousands of Dollars)

	Resources Division	Energy Security Division	Environmental Protection Division	Agricultural Division	Research and Development Division	Total	1989	1988
Cash, Short-Term Investments and Loans, and Amount Receivable from the Consolidated Fund, Beginning of Year	\$489,432	\$ 60,280	\$ 7,767	\$ 29,142	\$ 55,496	\$ 642,117		\$563,256
Revenue and Expenditure								
Revenue, Net of Inter-Divisional Transfers	332,646	4,749	797	42,598	5,124	385,914		494,978
Expenditure	302,905	275	—	40,577	—	343,757		412,206
Excess of Revenue Over Expenditure, Net of Inter-Divisional Transfers	29,741	4,474	797	2,021	5,124	42,157		82,772
Loan, Investment and Deposit								
Receipts	637,254	70	—	7,594	2,044	646,962		74,616
Disbursements	667,311	52,174	—	745	—	720,230		78,527
Excess of Receipts Over Disbursements	(30,057)	(52,104)	—	6,849	2,044	(73,268)		(3,911)
Increase (Decrease) During the Year	(316)	(47,630)	797	8,870	7,168	(31,111)		78,861
Cash, Short-Term Investments and Loans, and Amount Receivable from the Consolidated Fund, End of Year	\$489,116	\$ 12,650	\$ 8,564	\$ 38,012	\$ 62,664	\$ 611,006		\$642,117

(See Accompanying Notes)

Saskatchewan Heritage Fund

Statement of Cumulative Provincial Development Expenditure

For the Year Ended March 31, 1989

(In Thousands of Dollars)

		1989		1988
	Current Year Expenditure	Cumulative Year Expenditure	Current Year Expenditure	Cumulative Year Expenditure
Resource, Economic and Industrial Development				
Beauval — Pinehouse Development Road	\$ —	\$ 4,062	\$ —	\$ 4,062
Buffalo Narrows Causeway	—	2,532	—	2,532
Buffalo Narrows Northern Development				
Airport	—	2,631	—	2,631
Buffalo Narrows Northern Development				
Airport — Facilities	—	267	—	267
Cluff Lake Development Road	—	4,813	—	4,813
Forestry Development Roads	—	1,384	—	1,384
Interprovincial Steel and Pipe Corporation				
Ltd. — Plant Expansion	—	2,803	—	2,803
Key Lake Development Road	—	6,436	—	6,436
La Ronge Aircraft Maintenance Facility	—	2,261	—	2,261
Northern Highway No. 2	—	784	—	784
Northern Highway No. 105	—	548	—	548
Northern Highway No. 106	—	12,586	—	12,586
Northern Highway No. 155	—	5,394	—	5,394
Resource Research Facility — Saskatoon	—	3,684	—	3,684
Total Resource, Economic and Industrial Development	—	50,185	—	50,185
Health and Education				
Grant to the Saskatchewan Cancer Foundation	—	1,025	—	1,025
Grant to the University Hospital — Capital	—	17,614	—	17,614
Institute of Applied Arts and Sciences —				
Prince Albert	—	2,071	—	2,071
Provincial Laboratory Building	—	162	—	162
Saskatchewan Rehabilitation Centre	—	741	—	741
Saskatchewan Technical Institute Expansion	—	6,874	—	6,874
Saskatoon Hospitals Construction Program	—	1,231	—	1,231
University of Saskatchewan — Engineering				
Building Construction	—	27,525	—	27,525
University of Saskatchewan — Geological Sciences Building Construction	—	1,650	—	1,650
University of Saskatchewan — Veterinary College Building Expansion	—	12,540	—	12,540
Total Health and Education	—	71,433	—	71,433
Culture and Recreation				
Moose Jaw Wild Animal Park Development	—	2,519	—	2,519
Parks Facilities Development	—	2,402	—	2,402
Parks Facilities Development — Cypress Hills	—	549	—	549
Restoration of Northwest Territorial				
Government Administration Building	—	688	—	688
Restoration of Saskatchewan House	—	4,487	—	4,487
Saskatchewan Archives Building	—	284	—	284
1979 Western Canada Summer Games Inc.				
— Athletic Field House Grant	—	1,750	—	1,750
Total Culture and Recreation	—	12,679	—	12,679

Saskatchewan Heritage Fund

Statement of Cumulative Provincial Development Expenditure

For the Year Ended March 31, 1989

(In Thousands of Dollars)

	1989		1988	
	Current Year Expenditure	Cumulative Year Expenditure	Current Year Expenditure	Cumulative Year Expenditure
Municipal				
Construction of Court Houses — Regina and Saskatoon	—	25	—	25
Grant to the City of Lloydminster for Water Supply Project	—	9,150	—	9,150
Grants under the Community Capital Fund Program	—	69,106	—	69,106
Souris River Valley Project	—	137	—	137
Total Municipal	—	78,418	—	78,418
Total Provincial Development Expenditure	\$	\$212,715	\$	\$212,715

(See Accompanying Notes)

Saskatchewan Heritage Fund

Notes to the Financial Statements

For the Year Ended March 31, 1989

1. Significant Accounting Policies

General Policies

1a. Reporting Entity

These financial statements have been prepared for the purpose of disclosing the financial position of the Saskatchewan Heritage Fund at March 31, 1989 and the results of its financial activities for the year then ended in accordance with the statutory authorities governing its operation.

The Saskatchewan Heritage Fund is a special purpose fund established under The Heritage Fund (Saskatchewan) Act to receive all non-renewable resource revenues of the Province, revenues from certain agricultural lands, interest and dividends on loans and investments made by the Fund, and any gains on disposals of investments held by the Fund.

The Fund is comprised of five divisions: the Resources Division, the Energy Security Division, the Environmental Protection Division, the Agricultural Division, and the Research and Development Division.

1b. Basis of Accounting

The financial statements of the Fund are prepared using a modified cash basis for a fiscal year commencing on April 1 and ending on March 31. Revenues are recorded as received and expenditures are charged to the accounts when payment is made. In addition, revenues received in the 30 days of April in respect of revenue raised up to March 31 of the preceding fiscal year are taken into revenue of the preceding fiscal year, and payments made during the 30 days of April which are for goods and services received in the preceding fiscal year are reported as expenditures of the preceding fiscal year.

1c. Classification of Financial Transactions

In accounting for the financial transactions, a distinction is drawn between those transactions which affect equity and those which affect recorded assets and liabilities. The equity of the Fund is the difference between recorded assets and liabilities and represents the difference between accumulated

revenues and accumulated expenditures. Transactions are recorded within two categories in the Fund: Revenue and Expenditure, which affect equity, and; Lending and Investing which affect recorded assets and liabilities.

• Revenue and Expenditure

Revenue and expenditure relate to normal operating activities.

• Revenue

Revenue includes revenues raised through taxation and royalties from non-renewable resources, income from investments, lease revenues and gains on the sale of certain agricultural lands.

• Expenditure

Expenditure includes payments for goods and services, grants, the acquisition or construction of fixed assets and Fund dividends paid to the Consolidated Fund.

• Lending and Investing

These transactions result from lending and investing functions which include the Fund's lending and investing activity in Crown corporations, agencies, other organizations, individuals, and in Agricultural Land and Related Assets acquired for resale.

• Assets and Liabilities

In general terms assets of the Fund consist of cash and short-term investments, loans to or investments in Crown entities, other organizations, individuals, and investment in Agricultural Land and Related Assets. Capital assets are treated as an expenditure in the year of purchase.

Liabilities consist of a loan from the Consolidated Fund.

Saskatchewan Heritage Fund

Notes to the Financial Statements

Specific Policies

1d. Cash and Short-Term Investments

- **Cash**

Cash is the balance on hand at March 31, adjusted in accordance with the modified cash basis of accounting as described in note 1b.

- **Short-Term Investments**

Short-term investments represent those investments purchased under authority of The Heritage Fund (Saskatchewan) Act. These investments consist mainly of chartered bank notes, treasury bills, commercial paper and bonds maturing within one year.

Short-term investments are carried at cost. Any gain (loss) on disposal of short-term investments is recorded as revenue (expenditure).

1e. Short-Term Loans to Crown Entities

These represent interest bearing loans made for a period of less than one year. Short-term loans are valued at cost.

1f. Amount Receivable From the Consolidated Fund

This represents the balance of cash transactions held by the Consolidated Fund on behalf of the Fund, except for cash received from interest and dividends which is deposited directly into the Fund. No interest accrues on this balance.

1g. Loans to Crown Entities

These are loans made for a period of greater than one year to Crown corporations, boards and commissions and generally have fixed terms of repayment. These loans are all non-interest bearing.

Loans are valued at cost. In cases where the liabilities of a Crown entity significantly exceed the estimated realizable value of its assets and the accumulated deficit is not funded by an appropriation, the loan will be written down. All write-downs are charged directly to equity.

1h. Loans and Sale Agreements

Loans and Sale Agreements represent loans to lessees and amounts due on Sales Agreements for the sale of Agricultural Land and Related Assets less the unrealized gain in accordance with the accounting policy which provides that gains are included in revenue but are only recorded when cash is received. At March 31, 1989, long-term sales agreements outstanding total \$2,784,381 Of this amount, \$1,025,549 reflects the cost of land sold and is included in Loan and Sales Agreements. The balance of \$1,758,832 represents the unrealized gain on the sales and will be recorded as cash is received.

1i. Investments in Crown Entities

Investments in Crown entities represent long-term equity advances which are non-interest bearing and have no fixed terms of repayment.

Investments are valued at original cost. Revaluation of the investment will occur when the liabilities of the Crown entity significantly exceed the net realizable value of its assets and the accumulated deficit is not funded by appropriation. Any write-downs reducing the carrying value of the investment are charged directly to equity.

Dividends from the investments are recorded as revenue.

1j. Investment in Agricultural Land and Related Assets

The Heritage Fund (Saskatchewan) Act, transferred the assets and liabilities of the former Saskatchewan Land Bank Commission to the Agricultural Division of the Saskatchewan Heritage Fund effective April 1, 1983. Investment in Agricultural Land and Related Assets represents the cost of land and improvements held for resale.

Sales of these lands and improvements are recorded as a recovery of investment in amounts equal to the cost and any gains are recorded as revenue when received. Where the sale involves a long-term sales agreement, the amount equal to the cost of the investment sold is recorded as an asset; any amount due in respect of a gain on the sale is recorded as revenue only upon collection. Any loss on the sale of these lands and improvements is charged directly to equity.

Saskatchewan Heritage Fund

Notes to the Financial Statements

1k. Other Investments

These investments are carried at cost and will be revalued if it becomes evident that there has been a permanent reduction in the value of the investment. Any write-down of an investment is charged directly to equity.

1l. Loan from the Consolidated Fund

This represents a long-term obligation to the Consolidated Fund in respect of an interest bearing loan previously due from the Saskatchewan Land Bank Commission. Pursuant to provisions of The Farm Purchase Program Act the Farm Purchase Program Fund is authorized to receive the lease revenues on the land formerly owned by the Saskatchewan Land Bank Commission and in turn, to pay the interest on the loan from the Consolidated Fund. Accordingly, \$19,927,664 was paid by the Farm Purchase Program Fund to the Consolidated Fund in 1988-89 as interest expense on the outstanding loan. Pursuant to provisions of The Heritage Fund (Saskatchewan) Act, and as provided by appropriation, a payment of \$10,664,986 was made from the Saskatchewan Heritage Fund to the Farm Purchase Program Fund to cover the deficiency of the lease fees in meeting the interest costs.

2. Additional Information

2a. Equity

Equity of the Fund consists of two components: unallocated equity and reserve accounts. The reserve accounts were established pursuant to Treasury Board Directive as authorized by section 14 of The Heritage Fund (Saskatchewan) Act.

Within the Energy Security Division an Energy Security Reserve has been created for the purpose of funding the future development of energy resources. Within the Environmental Protection Division an Environmental Protection Reserve has been created to provide for contingency funding to mitigate unforeseen environmental problems related to uranium milling.

2b. Fund Dividend to the Consolidated Fund

An annual appropriation in the Saskatchewan Heritage Fund provides for fund dividends to the Consolidated Fund. Payments are made upon the direction of the Minister of Finance.

2c. Comparative Information

Certain of the 1988 figures have been reclassified to conform with the current year presentation; however, with regard to expenditures of the prior year, the figures are reported on the same basis as the estimates of the prior year.

Saskatchewan Heritage Fund**Schedule 1****Cash and Short-Term Investments**

March 31, 1989

(In Thousands of Dollars)

	1989	1988
Cash (Overdraft)		
Energy Security Division	\$ (131)	\$ 24
Environmental Protection Division	71	55
Research and Development Division	(137)	5
	(197)	84
Short-Term Investments		
Energy Security Division	904	600
Environmental Protection Division	8,493	7,712
Research and Development Division	1,772	975
	11,169	9,287
	\$ 10,972	\$ 9,371

The market value of the Short-Term Investments at March 31, 1989 is \$11,272,292 (March 31, 1988 — \$9,376,865).

Saskatchewan Heritage Fund**Schedule 2****Short-Term Loans to Crown Entities**

March 31, 1989

(In Thousands of Dollars)

	1989	1988
Energy Security Division		
Agriculture Credit Corporation of Saskatchewan	\$50,600	—
Crown Investments Corporation of Saskatchewan	—	\$46,000
Research and Development Division		
Crown Investments Corporation of Saskatchewan	—	45,000
Saskatchewan Property Management Corporation	47,100	—
	\$97,700	\$91,000

Saskatchewan Heritage Fund**Schedule 3****Loans to Crown Entities**

March 31, 1989

(In Thousands of Dollars)

	1989	1988
Resources Division		
Saskatchewan Grain Car Corporation	\$41,383	\$43,216
Less: Write-down	1,833	1,833
	39,550	41,383
Energy Security Division		
Saskatchewan Power Corporation	2,378	2,448
Less: Write-down	215	—
	2,163	2,448
	\$41,713	\$43,831

Saskatchewan Heritage Fund**Schedule 4****Investment in Crown Entities**

March 31, 1989

(In Thousands of Dollars)

	1989	1988
Resources Division		
Crown Investments Corporation of Saskatchewan	\$777,287	\$109,976
Potash Corporation of Saskatchewan	—	418,553
Saskatchewan Mining Development Corporation	—	218,700
	777,287	747,229
Energy Security Division		
Crown Investments Corporation of Saskatchewan	129,757	77,583
	\$907,044	\$824,812

Saskatchewan Heritage Fund**Schedule 5****Other Investments**

March 31, 1989

(In Thousands of Dollars)

	1989	1988
Research and Development Division		
Federal Government Bonds	\$ 1,037	\$ 1,037
Provincial Government Bonds	1,526	3,268
Saskatchewan Municipal Bonds	359	662
	\$ 2,922	\$ 4,967

The market value of Long-Term Investments in bonds at March 31, 1989 is \$2,848,648 (March 31, 1988 — \$5,031,468.)

Part B – Additional Information

Summary of Public Debt Transactions

March 31, 1989

(In Thousands of Dollars)

	Balance Beginning of Year	Sold	Redeemed	*Swap Gain	**Exchange Gain	Balance End of Year
Debentures:						
Public Issues	\$ 6,847,209	\$ 750,000	\$ 528,605	\$ 12,748	\$ 26,990	\$ 7,028,866
Canada Pension Plan	1,519,093	93,932	35,908	—	—	1,577,117
Agricultural Services Centres Agreement	5,510	—	339	—	—	5,171
Municipal Development Loan Fund	677	—	127	—	—	550
Federal-Provincial Employment Program	596	—	83	—	—	513
	8,373,085	843,932	565,062	12,748	26,990	8,612,217
Treasury Bills:						
Series 1266	650,000	2,600,000	2,600,000	—	—	650,000
Promissory Notes:						
P.N.D.	1,199,380	8,182,409	7,873,139	—	—	1,508,650
	\$10,222,465	\$11,626,341	\$11,038,201	\$ 12,748	\$ 26,990	\$10,770,867

* Reflects the gain resulting from converting Foreign debt to \$ Canadian debt during the year.

** Reflects the difference in conversion values at March 31, 1988 and March 31, 1989 resulting from converting \$ U.S. debt into \$ Canadian.

Details of Public Debt Outstanding

Public Issue Debentures

March 31, 1989

Details of Public Debt Outstanding

Public Issue Debentures

Date of Issue	Date of Maturity	Interest Rate %	Date of Interest Payments	Where Payable	Currency	Purpose of Issue	Amount Outstanding	Total Issue Outstanding	Equity of Applicable Sinking Fund	Sinking Fund Contribution Made 1988-89
March 28/85	March 28/90	9.53	March 28	Tokyo	Can.	MFC Consolidated Fund	28,013,536.50 28,013,536.50	56,027,073.00	.....	.....
(The original issue of 10,000,000,000 7.4% Yen debentures, with semi-annual interest payments has been converted by forward contract to \$56,027,073 Canadian with annual interest payments and an effective interest rate of 9.53%; Non Callable)										
July 30/87	July 30/90	9½	July 30	London, Regina, Frankfurt/Main, Paris, Geneva, Brussels, Luxembourg	Can.	ACS	150,000,000.00	150,000,000.00	.....	.....
(Non Callable)										
Oct. 22/87	Oct. 1/90	5	April 1 and Oct. 1	Any Canadian Branch of the Royal Bank of Canada	Can.	Consolidated Fund	125,000,000.00	125,000,000.00	.....	.....
This debenture pays additional interest each October based on a percentage of the annual percentage gain in the New York Stock Exchange Composite Index (Non Callable)										
Oct. 1/65	Oct. 1/90	4 7/8	Oct. 1 and April 1	N.Y.	U.S.	Sask Power ... Sask Tel	2,950,000.00 5,900,000.00	8,850,000.00*	17,541,232.51	265,500.00
(Callable in whole or in part by lot on any date on or after October 1, 1975)										
Nov. 27/85	Nov. 27/90	7	Nov. 27 and May 27	Tokyo	Can.	CIC Consolidated Fund	14,727,540.50 58,910,162.00	73,637,702.50	.....	.....
(The original Loan of 15,000,000,000 Yen has been converted by forward contract to \$73,637,702.50 Canadian; Non Callable)										
Dec. 1/70	Dec. 1/90	8 1/4	Dec. 1 and June 1	Any Canadian Branch of the Royal Bank of Canada	Can.	Sask Power ...	15,000,000.00	15,000,000.00	20,090,782.90	300,000.00
(Callable in whole but not in part on any interest payment date on or after December 1, 1987)										
Jan. 15/86	Jan. 15/91	9 1/2	Jan. 15 and July 15	Any Canadian Branch of the Royal Bank of Canada	Can.	Consolidated Fund SEDCO	184,000,000.00 16,000,000.00	200,000,000.00	.....	.....
(The original issue of \$150,000,000 was re-opened on October 15, 1986 and an additional \$50,000,000 was issued; Non Callable)										
March 5/86	March 5/91	6 1/2	March 5	Brussels, Frankfurt/Main, Geneva, London, Paris, Luxembourg	Can.	CIC	200,324,744.00	200,324,744.00	.....	.....
(The original issue of \$150,000,000 8 1/2% U.S. dollar debentures has been converted by forward contract to Canadian dollars with an effective interest rate of 6.50%; Non Callable)										
April 9/86	April 9/91	variable	April 9	Tokyo, London, Luxembourg, Brussels, N.Y.	Can.	Consolidated Fund	113,927,727.90	113,927,727.90	.....	.....
(The original 7 1/2% 15,000,000,000 Yen dual currency Yen/U.S. dollar forex linked notes in which the principal was due in U.S. dollars and the interest due in Yen has been converted by forward contract to U.S. dollars at an interest rate linked to LIBOR, and converted to Canadian dollars at an interest rate linked to Canadian treasury bills; Non Callable)										
Feb. 2/88	May 1/91-98	10-10 1/4	May 1 and Nov. 1	Any Canadian Branch of The Royal Bank of Canada	Can.	SPMC Consolidated Fund	50,000,000.00 100,000,000.00	150,000,000.00	.....	.....

Details of Public Debt Outstanding

Public Issue Debentures

Details of Public Debt Outstanding

Public Issue Debentures

Details of Public Debt Outstanding

Public Issue Debentures

Details of Public Debt Outstanding

Public Issue Debentures

Date of Issue	Date of Maturity	Interest Rate %	Date of Interest Payments	Where Payable	Currency	Purpose of Issue	Amount Outstanding	Total Issue Outstanding	Equity of Applicable Sinking Fund	Sinking Fund Contribution Made 1988-89
April 1/76	April 1/01	10 1/4	April 1 and Oct. 1	Any Canadian Branch of the Royal Bank of Canada	Can.	Sask Power ... Sask Tel	50,000,000.00 25,000,000.00	75,000,000.00	20,037,447.48	750,000.00
(Callable in whole but not in part on any interest payment date on or after April 1, 1996)										
Feb. 1/77	Feb. 1/02	9	Feb. 1 and Aug. 1	Any Canadian Branch of the Royal Bank of Canada	Can.	Sask Power ... Sask Tel	50,000,000.00 25,000,000.00	75,000,000.00	18,796,688.17	750,000.00
(Callable in whole but not in part on any interest payment date on or after February 1, 1997)										
Dec. 1/82	Dec. 1/02	13	June 1 and Dec. 1	Any Canadian Branch of the Royal Bank of Canada	Can.	Sask Tel, Sask Power ...	75,000,000.00 75,000,000.00	150,000,000.00	13,419,980.80	1,500,000.00
(Callable in whole but not in part on any interest payment date on or after Dec. 1/2000)										
March 30/83	March 30/03	12 1/4	March 30 and Sept. 30	Any Canadian Branch of the Royal Bank of Canada	Can.	Sask Power ... Sask Tel	350,000,000.00 25,000,000.00	375,000,000.00	27,750,221.14	3,750,000.00
(The original issue of \$150,000,000.00 was reopened December 21, 1983 — \$125,000,000.00 and April 30, 1985 — \$100,000,000.00; Callable in whole but not in part on any interest payment date on or after March 30, 2001)										
June 15/78	June 15/03	9 1/2	June 15 and Dec. 15	Any Canadian Branch of the Royal Bank of Canada	Can.	Sask Power ... Sask Tel	45,000,000.00 30,000,000.00	75,000,000.00	15,217,162.42	750,000.00
(Callable as a whole on June 15, 1998 or on any interest payment date thereafter)										
May 15/79	May 15/04	10	May 15 and Nov. 15	Any Canadian Branch of the Royal Bank of Canada	Can.	Sask Power ... Sask Tel	60,000,000.00 40,000,000.00	100,000,000.00	17,262,025.32	1,000,000.00
(Callable in whole but not in part on May 15, 1999 or on any interest payment date thereafter)										
Dec. 30/86	Dec. 30/04	9 5/8	June 30 and Dec. 30	Any Canadian Branch of the Royal Bank of Canada	Can.	Sask Power ...	100,000,000.00	100,000,000.00	.....	.....
(Non Callable)										
Nov. 15/76	Nov. 15/06	8.70	Nov. 15 and May 15	N.Y.	U.S.	Sask Power ... Sask Tel	74,565,000.00 49,710,000.00	124,275,000.00*	31,808,978.04	1,250,000.00
(Callable November 15, 1991 in whole or in part by lot thereafter)										
May 15/77	May 15/07	8 5/8	May 15 and Nov. 15	N.Y.	U.S.	Sask Power ... Sask Tel	69,211,800.00 46,141,200.00	115,353,000.00*	18,578,095.23	1,250,000.00
(Callable in whole or in part on May 15, 1992 or on subsequent dates)										
March 2/83	March 1/08	9	March 1	London, Toronto	Can.	Sask Power ...	50,000,000.00	50,000,000.00	.....	.....
(Non Callable)										
April 15/78	April 15/08	9 1/4	April 15 and Oct. 15	N.Y.	U.S.	Sask Power ... Sask Tel	68,979,000.00 45,986,000.00	114,965,000.00*	13,949,611.02	1,250,000.00

Details of Public Debt Outstanding

Public Issue Debentures

Date of Issue	Date of Maturity	Interest Rate %	Date of Interest Payments	Where Payable	Currency	Purpose of Issue	Amount Outstanding	Total Issue Outstanding	Equity of Applicable Sinking Fund	Sinking Fund Contribution Made 1988-89
Dec. 1/65	Dec. 1/15	5 1/8	June 1 and Dec. 1	Ottawa	Can.	Consolidated Fund	2,221,045.02	2,221,045.02	.....	.....
(Payable in blended semi-annual payments of principal and interest totalling \$76,399.60. Prepayable in whole or in part any time prior to December 1/2015, without penalty)										
*Adjustment to reflect conversion of debentures quoted in U.S. \$ to Canadian \$ using the exchange rate in effect at March 31, 1989 (\$1.1932) on a total U.S. debt of \$659,895,384										
Plus Sinking Fund contributions made in 1988-89 on matured debentures										
7 1/4% August 15, 1988										
7 5/8% February 15, 1989										
Total								\$ 7,028,865,654.30	\$ 288,603,568.89	\$ 15,673,072.50

Explanatory Note

R-Regina; W-Winnipeg; T-Toronto; M-Montreal; St.J.-Saint John, N.B.; V-Vancouver; E-Edmonton; H-Halifax; C-Calgary; O-Ottawa; N.Y.-New York.

All issues payable in Canada, redeemable at any branch of the Royal Bank of Canada in Canada.

Other Debentures Outstanding

March 31, 1989

	Range of Maturity	Range of Interest Rates	Total	Equity in Sinking Funds
Canada Pension Plan Debentures	1989-2008	6.75-17.51	\$1,577,117,000	\$ 142,005,882
Agricultural Service Centres Agreements	1995-2004	Various	5,170,760	—
Municipal Development Loan Fund Debentures	1992	5.625	550,218	—
Debentures Issued Under the Authority of the Federal-Provincial Employment Program	1993	6.67-7.233	512,656	—
Total Other Debentures			\$1,583,350,634	\$142,005,882
Total Public Issue Debentures			7,028,865,654	\$288,603,569
Total Debentures			\$8,612,216,288	\$ 430,609,451

Treasury Bills Outstanding

March 31, 1989

Series	Rate	Maturing	Amount Outstanding
1266	Non-Interest Bearing	\$50,000,000 weekly	\$650,000,000
			\$650,000,000

Note: Treasury Bills Series 1266 represent funds initially used to finance highway construction and other capital expenditures and to cover temporary insufficiencies of the Consolidated Fund. These Bills were issued at various discount rates.

Promissory Notes Outstanding

March 31, 1989

Date of Issue	Maturity Date	Interest Rate	Amount of Original Issue	Amount Outstanding
January 03, 1989	April 03, 1989	10.970	\$ 10,000,000	\$ 10,000,000
February 03, 1989	April 03, 1989	11.230	10,000,000	10,000,000
March 01, 1989	April 03, 1989	11.550	5,000,000	5,000,000
March 02, 1989	April 03, 1989	11.530	2,200,000	2,200,000
March 02, 1989	April 03, 1989	11.550	3,000,000	3,000,000
March 30, 1989	April 03, 1989	11.600	4,000,000	4,000,000
January 06, 1989	April 04, 1989	11.030	19,800,000	19,800,000
February 02, 1989	April 04, 1989	11.170	40,000,000	40,000,000
February 09, 1989	April 04, 1989	11.320	5,000,000	5,000,000
March 30, 1989	April 04, 1989	11.600	3,000,000	3,000,000
January 05, 1989	April 05, 1989	11.010	15,000,000	15,000,000
January 05, 1989	April 05, 1989	11.010	5,000,000	5,000,000
February 03, 1989	April 05, 1989	11.240	20,000,000	20,000,000
March 06, 1989	April 05, 1989	11.500	25,000,000	25,000,000
March 30, 1989	April 05, 1989	11.600	9,000,000	9,000,000
January 06, 1989	April 06, 1989	11.040	10,000,000	10,000,000
January 06, 1989	April 06, 1989	11.040	10,000,000	10,000,000
March 06, 1989	April 06, 1989	11.540	8,000,000	8,000,000
March 07, 1989	April 06, 1989	11.510	10,000,000	10,000,000
March 08, 1989	April 06, 1989	11.540	10,000,000	10,000,000
January 09, 1989	April 07, 1989	11.020	50,000,000	50,000,000
January 17, 1989	April 07, 1989	11.220	20,000,000	20,000,000
March 08, 1989	April 07, 1989	11.530	20,000,000	20,000,000
March 31, 1989	April 07, 1989	12.000	2,500,000	2,500,000
January 06, 1989	April 10, 1989	11.040	53,050,000	53,050,000
January 06, 1989	April 10, 1989	11.040	1,950,000	1,950,000
January 09, 1989	April 10, 1989	11.020	10,000,000	10,000,000
January 10, 1989	April 10, 1989	11.060	10,000,000	10,000,000
March 09, 1989	April 10, 1989	11.530	3,000,000	3,000,000
January 10, 1989	April 11, 1989	11.070	10,000,000	10,000,000
January 10, 1989	April 11, 1989	11.020	2,000,000	2,000,000
January 10, 1989	April 11, 1989	11.070	10,000,000	10,000,000
February 07, 1989	April 11, 1989	11.330	10,000,000	10,000,000
February 09, 1989	April 11, 1989	11.350	10,000,000	10,000,000
March 09, 1989	April 11, 1989	11.510	2,000,000	2,000,000
February 09, 1989	April 12, 1989	11.350	10,000,000	10,000,000
March 09, 1989	April 12, 1989	11.530	2,000,000	2,000,000
March 31, 1989	April 12, 1989	11.950	3,000,000	3,000,000
January 12, 1989	April 13, 1989	11.200	5,000,000	5,000,000
January 12, 1989	April 13, 1989	11.210	10,000,000	10,000,000
March 13, 1989	April 13, 1989	11.430	20,000,000	20,000,000
March 31, 1989	April 13, 1989	11.950	2,500,000	2,500,000
February 03, 1989	April 14, 1989	11.280	15,000,000	15,000,000
February 13, 1989	April 14, 1989	11.350	15,000,000	15,000,000
March 09, 1989	April 14, 1989	11.520	20,000,000	20,000,000
March 13, 1989	April 14, 1989	11.440	50,000,000	50,000,000
January 13, 1989	April 17, 1989	11.200	2,900,000	2,900,000
January 17, 1989	April 17, 1989	11.350	10,000,000	10,000,000
March 09, 1989	April 17, 1989	11.570	16,000,000	16,000,000
March 10, 1989	April 17, 1989	11.500	10,000,000	10,000,000
March 31, 1989	April 18, 1989	11.950	3,000,000	3,000,000
January 17, 1989	April 19, 1989	11.350	2,000,000	2,000,000
January 18, 1989	April 19, 1989	11.340	10,000,000	10,000,000
February 15, 1989	April 19, 1989	11.370	20,000,000	20,000,000
March 23, 1989	April 24, 1989	11.630	17,500,000	17,500,000
February 03, 1989	April 26, 1989	11.320	5,000,000	5,000,000
March 27, 1989	April 26, 1989	11.750	30,000,000	30,000,000
March 28, 1989	April 27, 1989	11.750	12,500,000	12,500,000
January 27, 1989	April 28, 1989	11.260	2,000,000	2,000,000
March 02, 1989	April 28, 1989	11.750	20,000,000	20,000,000
March 22, 1989	April 28, 1989	11.630	20,000,000	20,000,000

Promissory Notes Outstanding

March 31, 1989

Date of Issue	Maturity Date	Interest Rate	Amount of Original Issue	Amount Outstanding
March 23, 1989	April 28, 1989	11.630	2,600,000	2,600,000
March 10, 1989	May 01, 1989	11.700	30,000,000	30,000,000
March 27, 1989	May 01, 1989	11.750	5,000,000	5,000,000
March 28, 1989	May 01, 1989	11.750	12,500,000	12,500,000
March 31, 1989	May 01, 1989	11.830	10,000,000	10,000,000
March 27, 1989	May 02, 1989	11.700	30,000,000	30,000,000
March 28, 1989	May 03, 1989	11.730	25,000,000	25,000,000
March 30, 1989	May 04, 1989	11.720	50,000,000	50,000,000
March 31, 1989	May 04, 1989	11.700	4,000,000	4,000,000
March 31, 1989	May 05, 1989	11.830	2,650,000	2,650,000
February 06, 1989	May 08, 1989	11.350	2,000,000	2,000,000
February 03, 1989	May 09, 1989	11.340	5,000,000	5,000,000
March 08, 1989	May 09, 1989	11.770	1,100,000	1,100,000
March 08, 1989	May 09, 1989	11.770	8,900,000	8,900,000
March 07, 1989	May 10, 1989	11.750	35,000,000	35,000,000
March 01, 1989	May 12, 1989	11.800	12,000,000	12,000,000
March 03, 1989	May 12, 1989	11.840	50,000,000	50,000,000
February 13, 1989	May 15, 1989	11.480	4,000,000	4,000,000
February 14, 1989	May 15, 1989	11.510	11,500,000	11,500,000
March 13, 1989	May 16, 1989	11.700	10,000,000	10,000,000
March 22, 1989	May 23, 1989	11.940	20,000,000	20,000,000
March 31, 1989	May 26, 1989	12.050	15,000,000	15,000,000
March 02, 1989	May 29, 1989	11.820	4,000,000	4,000,000
March 31, 1989	May 30, 1989	12.030	26,200,000	26,200,000
March 02, 1989	May 31, 1989	12.000	10,000,000	10,000,000
March 02, 1989	May 31, 1989	12.000	15,000,000	15,000,000
March 31, 1989	May 31, 1989	11.930	1,500,000	1,500,000
November 24, 1988	June 01, 1989	10.850	5,000,000	5,000,000
November 25, 1988	June 01, 1989	10.990	1,000,000	1,000,000
March 01, 1989	June 01, 1989	12.000	10,000,000	10,000,000
March 02, 1989	June 01, 1989	11.990	10,000,000	10,000,000
March 15, 1989	June 01, 1989	11.940	50,000,000	50,000,000
March 03, 1989	June 02, 1989	12.000	20,000,000	20,000,000
March 14, 1989	June 02, 1989	11.950	75,000,000	75,000,000
March 14, 1989	June 05, 1989	11.960	25,000,000	25,000,000
March 09, 1989	June 06, 1989	11.990	2,500,000	2,500,000
March 13, 1989	June 12, 1989	12.000	10,000,000	10,000,000
March 14, 1989	June 13, 1989	11.980	10,000,000	10,000,000
March 15, 1989	June 13, 1989	11.970	15,000,000	15,000,000
March 13, 1989	June 14, 1989	12.000	50,000,000	50,000,000
March 15, 1989	June 14, 1989	11.970	10,000,000	10,000,000
March 31, 1989	June 30, 1989	12.180	1,000,000	1,000,000
December 09, 1988	July 05, 1989	11.330	14,300,000	14,300,000
January 11, 1989	November 01, 1989	11.600	15,000,000	15,000,000
February 01, 1989	November 01, 1989	11.550	10,000,000	10,000,000
Total			\$1,508,650,000	\$1,508,650,000

Interest on Public Debt — Province's and Crown Entities' Share

March 31, 1989

Crown Entities	C.P.P. Investment Fund	Debentures	Debentures	Other Debentures	Promissory Notes	Treasury Bills	Interest Charges	Coupon Commissions	Total
(In Thousands of Dollars)									
Agricultural Credit Corporation of Saskatchewan	\$ 50,553	\$ 20,224	\$ —	\$ 23,293	\$ —	\$ —	\$ 34	\$ 94,104	
Agriculture Development Corporation	—	—	—	271	—	—	—	—	271
Crown Investments Corporation of Saskatchewan	121,865	8,012	—	14,150	—	—	23	144,050	
Farm Purchase Program Fund	—	—	—	80	—	—	—	—	80
Municipal Financing Corporation of Saskatchewan	5,537	—	—	3,182	—	—	—	—	8,719
Saskatchewan Economic Development Corporation	1,520	3,971	—	3,044	—	—	—	—	8,535
Saskatchewan Government Printing Company	—	—	—	206	—	—	—	—	206
Saskatchewan Heritage Fund	—	19,928	—	—	—	—	—	—	19,928
Saskatchewan Housing Corporation	—	38,063	—	—	—	—	—	—	38,063
Saskatchewan Mining Development Corporation	13,349	—	—	1,531	—	—	—	—	14,880
Saskatchewan Power Corporation	202,929	61,269	—	799	—	—	—	—	171
Saskatchewan Property Management Corporation	8,594	—	—	21,408	—	—	—	—	30,002
Saskatchewan Telecommunications	68,289	13,365	—	2,803	—	—	52	84,509	
Saskatchewan Water Corporation	—	315	—	—	—	—	—	—	315
University of Saskatchewan	—	159	—	78	—	—	—	—	159
Other	—	—	138	82,424	64,832	\$ 1,595	\$ 280	\$ 1,029,078	78
Province's Share	171,022*	—	\$ 216	\$ 153,191	\$ 64,832	\$ 1,595	\$ 280	\$ 1,029,078	320,011

* A gain of \$43,773,000 resulting from the swap of Consolidated Fund foreign currency debt has been netted against the cost of Interest on Public Debt.

Summary of Sinking Funds

March 31, 1989

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Public Accounts, 1988-89

Sinking Fund	Total	Province	Sask Tel	Sask Power	Sask Water	University of Saskatchewan	Manalta
General Sinking Fund							
8 3/4% Dec. 1, 1990	\$ 20,090,783	\$	—	\$	—	\$ 20,090,783	\$
7 3/4% Feb. 15, 1998	17,187,565		—	2,864,594	—	14,322,971	—
8 1/4% Dec. 3, 1998	11,290,468		—	5,645,234	—	5,645,234	—
10% Dec. 2, 1999	16,505,380		—	9,169,656	—	7,335,724	—
1 1 3/4% June 2, 2000	10,730,863		—	3,576,954	—	7,153,909	—
9 7/8% Nov. 3, 2000	1,611,455		—	690,624	—	920,831	—
10 1/4% April 1, 2001	20,037,447		—	6,679,149	—	13,358,298	—
9% Feb. 1, 2002	18,796,688		—	6,265,563	—	12,531,125	—
13% Dec. 1, 2002	13,419,981		—	6,709,990	—	6,709,991	—
1 2 1/4% March 30, 2003	27,750,221		—	1,850,015	—	25,900,206	—
9 1/2% June 15, 2003	15,217,162		—	6,086,866	—	9,130,297	—
10% May 15, 2004	17,262,025		—	6,904,810	—	10,357,215	—
8.7% Nov. 15, 2006	31,808,978		—	12,704,772	—	19,104,206	—
8 5/8% May 15, 2007	18,578,096		—	7,202,723	—	11,375,373	—
9 1/4% April 15, 2008	13,949,611		—	5,309,190	—	8,640,421	—
Individual Funds:							
4.875% Oct. 1, 1990	17,541,233		—	11,694,155	—	5,847,078	—
5 3/4% July 1, 1991	2,814,696		—	—	—	2,814,696	—
5 1/4% April 1, 1993	6,091,180		6,091,180	—	—	—	—
5 1/2% Jan. 15, 1994	3,818,225		—	—	3,818,225	—	—
5 1/2% Oct. 1, 1995	4,101,512		4,101,512	—	—	—	—
	288,603,569	10,192,692	93,354,294	185,056,583	—	—	—
Canada Pension Plan:							
7.68% Nov. 1, 1989-90	40,069,925		—	7,057,151	—	32,708,504	—
7.78% Nov. 1, 1990-91	39,121,456		—	8,948,993	—	30,172,463	—
7.06% Nov. 1, 1991-92	28,538,834		—	7,164,221	—	20,909,636	46,4977
7.38% Nov. 1, 1992-93	24,398,447		—	9,619,283	—	14,779,164	—
7.53% Nov. 1, 1993-94	8,606,175		—	4,979,042	—	3,627,133	—
9.14% Nov. 1, 1995-96	1,077,263		—	—	—	—	1,077,263
8.88% Nov. 1, 1997-98	193,782		—	—	—	193,782	—
Total Provincial Sinking Funds:							
Sinking Funds	430,609,451	10,192,692	131,122,984	287,253,483	963,029	1,077,263	—
Administered for Others	3,014,365	—	—	—	—	—	3,014,365
Total Sinking Funds Administered	\$433,623,816	\$ 10,192,692	\$131,122,984	\$287,253,483	\$ 963,029	\$ 1,077,263	\$ 3,014,365

Sinking Fund Payments

(in Thousands of Dollars)

Total Payments		\$ 18,799
Less Reimbursements:	Saskatchewan Power Corporation	\$ 13,193
	Saskatchewan Telecommunications	5,451
	University of Saskatchewan	35
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		\$ 120
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